THE SOUTH PACIFIC FORUM:
EXPECTATIONS AND ACHIEVEMENTS ON MAJOR ISSUES, 1971-1991

by
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A thesis submitted for the degree of Doctor of Philosophy
of the Australian National University

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DECLARATION:

Except for those sources as acknowledged in the text, this thesis is all my own work.

Sujatmiko
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<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACP</td>
<td>Asian, Caribbean and Pacific (countries)</td>
</tr>
<tr>
<td>AGPS</td>
<td>Australian Government Publishing Service</td>
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<tr>
<td>AIDAB</td>
<td>Australian International Development Assistance Bureau</td>
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<tr>
<td>ANL</td>
<td>Australian National Airline</td>
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<tr>
<td>ANU</td>
<td>Australian National University</td>
</tr>
<tr>
<td>ANZCERTA</td>
<td>Australia-New Zealand Closer Economic Relations Trade Agreement</td>
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<tr>
<td>ANZUS</td>
<td>Australia, New Zealand and the United States of America</td>
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<td>APEC</td>
<td>Asia-Pacific Economic Cooperation</td>
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<tr>
<td>ASA</td>
<td>Association of Southeast Asia</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<td>ASPA</td>
<td>Association of South Pacific Airlines</td>
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<td>ASTEC</td>
<td>Australian Science and Technology Council</td>
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<td>ATA</td>
<td>American Tunaboat Association</td>
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<tr>
<td>ATOM</td>
<td>Against Testing on Moruroa</td>
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<tr>
<td>ATS</td>
<td>Applications Technology Satellite</td>
</tr>
<tr>
<td>CACM</td>
<td>Central American Common Market</td>
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<tr>
<td>CARICOM</td>
<td>Caribbean Community</td>
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<tr>
<td>CCOP/SOPAC</td>
<td>Coordinating Committee for Offshore Prospecting in the South Pacific (now just SOPAC: South Pacific Applied Geoscience Commission)</td>
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<td>CER</td>
<td>Closer Economic Relations</td>
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<td>CFR</td>
<td>Commonwealth Funds for Technical Cooperation</td>
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<td>CIDA</td>
<td>Canadian International Development Assistance</td>
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<tr>
<td>CINPAC</td>
<td>(US) Commander in Chief, Pacific</td>
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<td>CRIA</td>
<td>Committee on Regional Institutional Arrangements</td>
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<tr>
<td>DCP</td>
<td>Defence Cooperation Programme</td>
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<td>DFAT</td>
<td>Department of Foreign Affairs and Trade</td>
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<td>DWFNs</td>
<td>Distant Water Fishing Nations</td>
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<td>EAP</td>
<td>Environment Assistance Programme</td>
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<tr>
<td>EC</td>
<td>European Community</td>
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<td>EDF</td>
<td>Economic Development Fund</td>
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<tr>
<td>EEZs</td>
<td>Exclusive Economic Zones</td>
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<tr>
<td>ESCAP</td>
<td>Economic and Social Commission for Asia and Pacific</td>
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</table>
FAO  Food and Agriculture Organisation
FFA  Forum Fisheries Agency
FFC  Forum Fisheries Committee
FI  Front Independente
FICs  Forum Island Countries
FLNKs  Front de Liberation Nationale Kanak et Socialist
FRG  (former) Federal Republic of Germany
FSM  Federated States of Micronesia
FULK  Front Uni Liberation Kanaks et Socialist
GATT  General Agreement on Tariffs and Trade
GEIC  Gilbert and Ellice Islands Colony
GSP  Generalised System of Preference
IAEA  International Atomic Energy Agency
ICAO  International Civil Aviation Organisation
ICJ  International Court of Justice
ICOD  International Center for Ocean Development
IGO  Inter-Governmental Organisation
JACADS  Johnston Atoll Chemical Agent Disposal System
LAFTA  Latin America Free Trade Association
LDC  London Dumping Convention
MAPHILINDO  Malaya Philippines and Indonesia
MERT  Ministry of External Relations and Trade
MOU  Memorandum of Understanding
MSG  Melanesian Spearhead Group
NAFTA  North American Free Trade Area
NATO  North Atlantic Treaty Organisation
NFIP  Nuclear Free and Independent Pacific
NPT  Non-Proliferation Treaty
NZ  New Zealand
NZII  New Zealand Institute of International Affairs
NZODA  New Zealand Official Development Assistance
OAU  Organisation of African unity
OFCF  Overseas Fisheries Cooperation Foundation
OPEC  Organisation of Petroleum Exporting Countries
ORMP  Ocean Resource Management Programme
PATCRA  Papua New Guinea-Australia Trade and Commercial Relations Agreement
<table>
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<tr>
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<tr>
<td>PCC</td>
<td>Pacific Conference of Churches</td>
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<td>PFL</td>
<td>Pacific Forum Line</td>
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<tr>
<td>PIDP</td>
<td>Pacific Islands Development Programme</td>
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<td>PIM</td>
<td>Pacific Islands Monthly</td>
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<tr>
<td>PIPA</td>
<td>Pacific Islands Producers’ Association</td>
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<td>PNG</td>
<td>Papua New Guinea</td>
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<tr>
<td>PPBP</td>
<td>Pacific Patrol Boat Programme</td>
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<tr>
<td>PRC</td>
<td>People’s Republic of China</td>
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<tr>
<td>PTA</td>
<td>Preferential Trading Arrangement</td>
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<td>RCT</td>
<td>Regional Committee on Trade</td>
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<td>RPCR</td>
<td>Rally pour Caledonie dans le Republique</td>
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<td>RRDP</td>
<td>Regional Research and Development Programme</td>
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<td>SEANWFZ</td>
<td>South East Asian Nuclear Weapons Free Zone</td>
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<td>SEATO</td>
<td>South East Asia Treaty Organisation</td>
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<td>SIC</td>
<td>Smaller Island Countries</td>
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<td>SICFF</td>
<td>Smaller Island Countries Funding Facility</td>
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<td>SPARTECA</td>
<td>South Pacific Regional Trade and Economic Cooperation Agreement</td>
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<td>SPC</td>
<td>South Pacific Commission</td>
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<td>SPEC</td>
<td>South Pacific Bureau for Economic Cooperation</td>
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<td>SPF</td>
<td>South Pacific Forum</td>
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<td>SPMDP</td>
<td>South Pacific Maritime Development Programme</td>
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<td>SPNFZ</td>
<td>South Pacific Nuclear Free Zone</td>
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<td>SPOCC</td>
<td>South Pacific Organisations Coordinating Committee</td>
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<td>SPRCADP</td>
<td>South Pacific Regional Civil Aviation Development Programme</td>
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<td>SPREP</td>
<td>South Pacific Regional Environment Programme</td>
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<td>South Pacific Trade Commission</td>
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<td>SPTO</td>
<td>South Pacific Trade Office</td>
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<td>SRO</td>
<td>Single Regional Organisation</td>
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<td>TCF</td>
<td>Textile, Clothing and Footwear</td>
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<td>TCSP</td>
<td>Tourism Council of the South Pacific</td>
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<td>TTPI</td>
<td>Trust Territory of the Pacific Islands</td>
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<td>UC</td>
<td>Union Caledonie</td>
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<td>United Kingdom</td>
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<td>UNCLOS</td>
<td>United Nations Conference on the Law of the Sea</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNEP</td>
<td>United Nations Environment Programme</td>
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<td>USA</td>
<td>United States of America</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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<td>USIS</td>
<td>United States Information Service</td>
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<td>USP</td>
<td>University of the South Pacific</td>
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<td>USSR</td>
<td>Union of Soviet Socialist Republics</td>
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<tr>
<td>USTTPI</td>
<td>United States Trust Territory of the Pacific Islands</td>
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<tr>
<td>WCIP</td>
<td>World Council for Indigenous People</td>
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<td>ZOPFAN</td>
<td>Zone of Peace Freedom and Neutrality</td>
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ABSTRACT

From the early 1960s the newly emergent independent states in the South Pacific region changed markedly their orientation toward regional cooperation. After being frustrated by the South Pacific Commission, which was dominated by the colonial powers and its no-politics convention, the Island leaders wanted to create their own forum where they could discuss their common concerns freely. The process culminated in 1971 when they established a forum with the potential to meet their needs, the South Pacific Forum.

The thesis examines the expectations of the Island leaders when they created the Forum, then assesses whether or not those expectations were met after twenty years of its existence. It starts by discussing the historical background to the Forum's establishment, then examines major political and economic issues which the Forum addressed, i.e. how it confronted the decolonisation process in the region, how it protested against French nuclear testing and how it handled environmental issues. On economic matters, three major subjects are examined in this thesis: regional trade, fisheries and transport.

The thesis argues that after two decades the Forum met most of the Island leaders' expectations. Examination of major political and economic issues suggests that the Island leaders are relatively satisfied with what the Forum has achieved. They believe that the Forum has become the main regional institution and that members benefited significantly from its operation.

Although the basic argument for the establishment of the Forum was initially political, from the beginning economic issues have dominated the agenda. The establishment of economic institutions such as SPEC, the FFA, and the PFL and the formalisation of legal arrangements such as SPARTECA, characterised the Forum's operation in the first decade. Political matters, such as nuclear testing, decolonisation and environment, - which the Forum leaders initially wanted to be major subjects of discussion - were only seriously tackled by the leaders in the second decade. Though resolutions against nuclear testing were released from the mid-1970s, it was not until 1985 that the Forum agreed to the Rarotonga treaty. The Forum's desire to protect the environment, which was also politically motivated, was translated into practical policy in the mid-1980s. Similarly, the Forum tackled decolonisation issues effectively, especially the troubled case of New Caledonia.
The Forum's achievements on those main issues have added to its strength as a regional institution. Interestingly, many of its successes have been in dealing with countries outside the region. The Rarotonga treaty is directed mainly against France and partly against other nuclear powers and other nuclear states having territory in the region. The SPREP convention is more or less the same. The Convention for the Prohibition of Fishing with Long Driftnet is also directed against distant-water fishing nations. The Multilateral Fisheries Treaty with the US is no exception. The Forum's capacity for effective negotiation with countries outside the region culminated when the President of the most powerful country in the world, George Bush, invited leaders of the Forum countries to a summit meeting in Honolulu in October 1990.

Another significant success of the Forum and its sub-agencies has been their role in attracting more foreign aid to the region, both through bilateral and/or multilateral arrangements administered by the Forum Secretariat and other agencies under the Forum's umbrella. The increase in foreign aid to the region during the twenty-year period has been partly a result of the Forum's role.

The Island leaders' dream that their unity would result in stronger bargaining power has become reality. Although in certain areas of cooperation they have conflicting national interests, they generally have common aims when dealing with countries outside the region. Apart from their collective strength, individually Forum members appreciate opportunities to speak freely and at length, opportunities rarely open to them in international fora. The Post-Forum dialogue arrangement started in 1989 has increased the occasions for extended discussion.
CHAPTER I

INTRODUCTION

The Islanders' perception of regional cooperation changed markedly with the emergence of newly independent Island states in the South Pacific from the early 1960s. The colonial-dominated organisation, the South Pacific Commission, had frustrated the Island leaders and stimulated their desire to create a forum of their own. After a couple of years of intermittent lobbying among themselves, they succeeded in establishing the first indigenous-controlled organisation, PIPA (Pacific Islands Producers' Association). The process of finding a suitable indigenous-controlled forum culminated in 1971 when they established an institution with the potential to meet their needs, the 'South Pacific Forum'.

1. ABOUT THE THESIS

The South Pacific Forum was twenty years old in 1991. It was mature enough to be subjected to an assessment of its operations. One measure of the Forum is to compare its achievements with the Forum leaders' expectations. This thesis concentrates on assessing the Forum's achievements by comparing the original expectations of the Island leaders when creating the Forum and their increased expectations which appeared from time to time with the Forum's actual accomplishments. Achievement in this study is measured mostly from the Forum leaders' point of view. It does not attempt to assess the Forum by using criteria developed previously by other scholars, such as to compare the initial conditions (political, economic and social) of member states with those after the Forum was created. Such an approach requires more time to complete, and to untangle cause and effect. The main reason is that the Forum is not the only organisation in the region which tries to improve these conditions. The South Pacific Commission is another major organisation promoting social and economic development and has existed since 1947.

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1. In the following study, the term 'South Pacific Forum' will be used interchangeably with the 'Forum' or 'SPF'. Members of the South Pacific Forum will be named as the 'Forum members', the 'Forum states' or the 'Forum countries'. Another term, the so-called the 'FICs' (Forum Island Countries, or just 'Island states' or 'Island countries'), will also be used. This refers to the Forum members, but excludes Australia and New Zealand.

2. Webster's New World Dictionary, third College edition 1988, defines expectation as 'a thing looked forward to'; 'the probability of the occurrence, duration, etc. of something, especially as indicated by statistics' (p.478). Achievement (=accomplishment) is defined as 'a thing achieved', or 'something accomplished or done successfully; work completed' (pp. 8 and 11).
With the form of assessment adopted in this study, a hypothesis can be drawn: the Forum has met most of the Island leaders' expectations. The strengths of the Forum are evidence of this, whereas its weaknesses (as perceived by external observers) are not always viewed as failures by the Forum's leaders. They are aware of the Forum's limits, they need outside help, and they acknowledge the fact that there is no single organisation or association that has met all of its members' expectations. But generally the Island leaders are satisfied with the Forum's record.

This study differs markedly from previous works written by other scholars. The most significant differences are its substance which focuses on the South Pacific Forum. The second is the period covered by the thesis, 1971-1991. The third is the approach adopted, and finally the sources of this study.

I had at least two completely new primary sources in writing this thesis. First, I succeeded in viewing most of the documents needed to assess the Forum, most notably the Summary Record of the Forum Meetings from the beginning to 1991: the Summary Record was not previously available to the public. It differed from what was on the public record in the following ways: it provided information on how a certain agenda was proposed, which member country proposed it, what were the responses of other members on this particular issue, and how the agenda developed from year to year. All of this information confirmed the information available on the public record or corrected any mistakes, or modified statements made by government officials.

The second important source was my interviews with Island leaders directly involved in the Forum, from the beginning until now. I interviewed Forum heads of government such as Hammer deRoburt of Nauru (died in 1992), Sir Robert Muldoon (died in 1992), David Lange and Geoffrey Palmer of New Zealand, Bob Hawke of Australia, Ieremia Tabai of Kiribati, Tofilau E. Alesana of Western Samoa, Tom Davis of the Cook Islands, Bikenibeu Panieu of Tuvalu, John Haglelgam of Federated States of Micronesia, Walter Lini of Vanuatu, Solomon Mamaloni of the Solomon Islands, and other leaders at the ministerial level and below. My interview with Ratu Mara was rescheduled due to his unexpected Cabinet meeting. Unfortunately I had to fly to Tuvalu the next morning. Thus, I could not have a direct account from him, but it was not a significant loss because Ratu Mara was the most outspoken leader and many of his opinions and ideas could be found in the public media.
In addition to those primary sources, I of course used secondary sources as other writers have done. There is much published and unpublished material explaining the operation of regional organisations in the South Pacific, but there is no single book explaining extensively how the Forum operates, what the Islanders' expectations were in creating the Forum, and what areas of cooperation it has handled successfully. Many researchers have claimed that this limited publication is a result of the nature of the Forum meetings which are closed to the public and many of the documents produced are confidential. The only material available to the public is the SPF communique released after its annual meeting. But the communique is only a brief summary of the Forum leaders' discussion and of the areas in which they agreed. There is no detailed explanation on each issue and the position of each member state is unknown. Other documents available are the Director's Annual Report, and booklets explaining areas of cooperation pursued. The Forum leaders' views can only be found in the media reports of speeches they made. The difficulties in getting the Forum publications are felt by many librarians in Australia, New Zealand, the US and elsewhere.

In order to obtain more primary sources, a fieldwork survey of the Forum member countries and non-Forum members (New Caledonia, French Polynesia, and Hawai‘i) was conducted from June to December 1991. There were two main objectives of the fieldwork, first to find firsthand information by interviewing Islanders who were involved directly in Forum matters (fifteen former and present heads of government, three Deputies Prime Ministers, sixteen Ministers, eighty five other high ranking officials and twelve members of Parliament were interviewed). In addition to that, another eighty four people from other governmental and non-governmental organisations were also interviewed. These included: heads of all regional organisations and agencies in the South Pacific region, foreign diplomats posted in Forum countries, religious leaders, journalists, academics and activists of interest groups such as Greenpeace (see Appendix 1 for list of interviewees and respondents). The second objective was to gather primary and secondary documents not only at the Forum Secretariat in Suva, but also at the headquarters of the Forum's offshoots (FFA in Honiara, PFL in Apia and Auckland) and at the headquarters of other regional organisations such as

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3. Nevertheless, there are some previous works which have touched on the Forum, its related agencies and some areas of cooperation that the Forum has attempted. These include particularly: Fry's M.A thesis in 1979, Herr's Ph.D thesis in 1976, Neemia's M.A. thesis in 1986, Haas' book *The Pacific Way*..., and the review done by Ken Piddington on the South Pacific Forum after fifteen years. Similarly on specific issues such as nuclear testing (see works by Fry, Firth, Henningham, Bates, Hamel-Green, and Ogashiwa), environment (see Carew-Reid's work), fisheries (Douman's works and a book of the proceeding of the FFA Tenth Anniversary Conference edited by Herr in 1990), trade (see Robertson's working paper), and transport (Fry's thesis). All those previous works become the secondary sources for this thesis and the details are mentioned in the text.
the SPC in Noumea, SOPAC, the USP, the UNDP, each in Suva, Greenpeace and the South Pacific Trade Office in Auckland and PIDP (Pacific Islands Development Programme) in Honolulu.

Library research was also conducted not only in Australia (ANU Library, National Library, USIS Library, Parliamentary Library in Canberra, Department of Foreign Affairs and Trade Library), but also elsewhere throughout the region (the Pacific Collection at the University of Hawai'i in Honolulu, Pacific and the Australia-New Zealand section of the University of Auckland, the University of Victoria, Wellington, the Canterbury University in Christchurch, the University of Papua New Guinea, Waigani and the Institute of Pacific Studies at the USP, Suva).

During the research period, the author gained invaluable experience attending conferences dealing with South Pacific affairs: the South Pacific Conference conducted by the Otago University's Foreign Policy School, Dunedin, New Zealand on 11-14 May 1990; the Pacific Security Symposium in Wellington on 17-18 May 1990; the Thirtieth South Pacific Conference in Nuku'ālofa, Tonga on 27-31 October 1991; the Nuclear Free and Independent Pacific Conference in Port Vila, Vanuatu on 14 August 1991; the Asia Pacific Security Conference at ANU, in December 1989; the France in the Pacific Conference at ANU in January 1991. Also the author gave papers at the following conferences: the Second Colloquium on Relations between Indonesia, Papua New Guinea and the South Pacific Island States in Port Moresby, PNG on 9-12 June 1991; the Second International Conference on Colonialism held by Humbold University in Berlin, Germany on 25-26 July 1991 (both papers were published later in 1992); and the Third Southwest Pacific Conference on Regional Peace, Stability and Resilience at Hasanuddin University, Ujung Pandang, Indonesia on 1-4 March 1992 (in Press). The author obtained three benefits from those conferences: first, meeting people who have similar interests, secondly, listening to important issues being addressed and discussed, and thirdly, where the author gave papers, the exercise of presenting arguments to a general public at an international level. All those activities contributed very much to the final form of the thesis.

This study does not attempt to assess all areas of cooperation handled by the Forum, instead it concentrates on the three main areas in which the leaders' expectations and achievements can be easily examined. These are organisational, major political and economic matters. The thesis has five broad subjects: first, a review of the regional integration theories; secondly, the background of the Forum countries, the early establishment of the Forum and development of its organisational structure; thirdly, expectations and achievements on political issues; fourthly, expectations and achievements on economic issues, and the last part is a conclusion.

Chapter I reviews the regional integration theories and their suitability to the Forum. Chapter II explores the basic background of the Forum states which contributed to the Islanders' behaviour toward the Forum, the history of the Forum's establishment, and the development of the Forum as a regional organisation. Chapters III, IV and V deal with what the Forum has done in addressing political issues. Chapter III examines the Forum leaders' efforts in tackling the decolonisation process in the region, most particularly in helping determine a future settlement in the New Caledonia dispute. The Forum's protest against nuclear testing which culminated in the South Pacific Nuclear Free Zone Treaty is discussed in Chapter IV, and related issues on the environment, such as the Forum's opposition toward nuclear waste dumping by external powers, and the development of SPREP (South Pacific Regional Environment Programme) is surveyed in Chapter V. The next three Chapters, VI, VII, VIII, deal with economic matters. Chapter VI explores what the Forum has done in addressing trade issues, an area of critical interest to the Island leaders. The history of the FFA's establishment, its success in dealing with distant water fishing nations, and its success in urging external countries to stop their drift net fishing method are examined in Chapter VII. Chapter VIII deals with what the Forum has done in its efforts to develop regional transport, especially shipping and aviation. Discussion on these major political and economic issues are aimed at determining the Forum leaders' expectations of the Forum and at the same time examining whether or not those expectations have been met. Finally, Chapter IX tries to answer the above questions, and it considers the strengths and weaknesses of the Forum, how the Australian and New Zealand involvement is interpreted, and what roles are played by other regional organisations and agencies as well as external donor countries.

2. THEORETICAL APPROACHES

A brief survey on regional integration theories and a comparison with regional cooperation elsewhere in the Third World countries, in particular those which have close
similarities, is important not only for understanding the Forum operation, but also to help the author find the best approach to assess the Forum.

In international relations a regional arrangement can be defined as a group of states which, because of their geographical location, have a desire to pursue certain objectives together for their own needs. In order to bind themselves legally, the states usually ensure that their association is fixed by a treaty or similar agreement. The form of cooperation being attempted is not too narrow such as the regulation of the Turkish Straits or the Suez Canal and not too global such as the Commonwealth of Nations.\(^5\)

According to Padelford, there are several factors that bring a group of states to form a regional arrangement. The first is simply geographical proximity. States believe that they can boost their interests by uniting, although in different circumstances states situated near one another are in conflict, specially if their political, social, economic and cultural systems are different. Thus, only those that are close to each other, have much in common and share some interests in an international environment can form a successful regional arrangement. An example of this was the formation of the League of Arab States in 1945 in which all states had a common Arabic and Moslem background.\(^6\) Similar factors certainly applied to the South Pacific Forum in which its leaders believed that their geographical proximity and their commonalities would facilitate regional cooperation.

The second and the most compelling factor is the search for security, as has been evident in the establishment of NATO, ANZUS, SEATO, and the Warsaw Pact mentioned earlier. Except Australia and New Zealand, the Forum states did not have this motivation. Security for the Forum states is not so much concerned with military threats, but with economic growth, or even simply survival.

The third factor has been the awareness of many states that their standard of living can be advanced only through cooperative effort. The barriers to international trade can be reduced if they take collective action to confront certain states which impose trade restrictions. The North-South dialogue is perceived as an exchange in which a group of developing countries (the South) wants to negotiate economic matters with the developed


\(^6\) Ibid., pp.386-87.
states (the North). The establishment of regional arrangements in most Third World countries (including the Forum states) as well as in Europe has been influenced by this belief.

The fourth factor is a belief that the establishment of regional arrangements has been a result of perceived inadequacies in the institution of global management, the United Nations. Padelford says:

Recourse to regional arrangement may also be ascribed to the beliefs that the United Nations under present circumstances cannot wholly suffice to protect or further the interests of states. Consequently, states have turned to regional groupings as a supplement to unilateral national action and the usual diplomatic relations.

Regional arrangements provide groups of nations having common interests and objectives an opportunity to cooperate to whatever extent they believe desirable, on matters of mutual concern. They thus afford a directness of association which cannot be attained through universal institutions.

The development of regional groupings and organisations also acknowledges the fact that it is possible to do some things within limited areas and among a restricted circle of states that cannot be done on a global basis.7

It was only the consideration in the last paragraph which was in the Forum leaders' mind when they established the South Pacific Forum. At that time the Islanders had limited knowledge of the United Nations. It was not until recently that the Islanders acknowledged that the UN was too big to accommodate the special needs of their small Island states. Except PNG, Western Samoa, Fiji and most recently the Federated States of Micronesia and the Marshall Islands, the Forum Island states have not shown a strong desire to apply for UN membership. The main reason for this is their limited resources: the Island states cannot afford to contribute financially to the UN or maintain their offices in the UN's headquarters in New York. More than that, the Island states lack the personnel to handle this challenging task.

Although there are many criticisms regarding the role of the United Nations in maintaining world order, it is a fact that the UN still exists and is the only international organisation which has membership for all independent countries in the world (about 162 members in 1991). In whatever form, regional arrangements are consistent with the purposes

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and the principles of the United Nations, though there is no single provision in the UN Charter which defines what kind of arrangements are covered by this term. Padelford says:

Any regional grouping which exists to further the maintenance of international peace and security, to facilitate the peaceful settlement of international disputes, to develop friendly relations among states, and to promote international cooperation on economic, social, cultural or humanitarian problems in the broad sense, is not excluded by the [UN] Charter.8

It is hard to place the experience of the South Pacific Forum within a theoretical framework due to the vast and often confusing literature on regional integration theory. The term ‘region’ should be clarified before discussing the SPF. Although the SPF can be regarded as a case of regional cooperation, its membership does not cover all the states and territories in the South Pacific region. This also applies to ASEAN which does not cover all states in Southeast Asia. Regionalism is, according to Nye, ‘in the descriptive sense the formation of interstate associations or groupings on the basis of regions; and in the doctrinal sense, the advocacy of such formations’.9 Because of the fact that the term region does not always fit that meaning, Nye offered a further definition which takes into account geography and political interest. The term regional, according to Nye, applies to organisations which restrict their membership in principle and in practice, on the basis of geographical contiguity.10

Can the SPF be regarded as a proper regional ‘organisation’, or just an ‘association’ of several South Pacific independent states? Whichever term is adopted, either one involves an integration process among regional states. The word ‘integration’ has been subjected to a broad range of meaning such as political unification, economic unification, political and economic cooperation and free trade areas. According to E.B. Haas, ‘integration’ is ‘the process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations, and political activities toward a new centre, whose institutions possess or demand jurisdiction over the pre-existing national states.’11 Haas later abandoned

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this strict process-oriented definition based upon the activities of sub-national actors, now insisting that regional integration theory is:

concerned with explaining how and why states cease to be wholly sovereign, how and why they voluntarily mingle, merge, and mix with their neighbours so as to lose the factual attributes of sovereignty while acquiring new techniques for resolving conflict between themselves. Regional cooperation, organisations, systems, and subsystems may help describe steps along the way; but they should not be confused with the resulting definition.12

Haas' definitions cannot be applied to the Forum states' concept of integration. The Forum states have not given up any sovereignty or shifted their loyalties, expectations and political activities toward a new centre.

On the other hand, Karl Deutch sidesteps both the political nature of integration and the manner of process. For Deutch, it is a matter of 'community building' which is a social process, dealing primarily with the attitudes of individuals. Rather than a process, integration becomes a terminal condition or, more precisely 'the attainments and practices are strong enough and widespread enough to assure, for a long time, dependable expectations of peaceful change among its population'.13

A similar explanation is presented by A. Etzioni who evades the thorny problem of defining integration, switching his focus to unification which is a 'process in which the integration of a system is increased ...'.14 Thus, integration becomes subsumed within the greater process of unification and community building.

Integration theory extends across a number of disciplines and sub-disciplines, but the theories themselves may be roughly divided into three categories: federalism, functionalism, and neo-functionalism.15 These three types of theories have received most of the attention in the literature of regional integration.


15. This division is suggested by D. Mitrany in his work, 'The Prospect of Integration: Federal or Functional' in J.S. Nye, 1968, op.cit.,pp.43-73.
Federalism and Functionalism derive from the European experience during and after the second world war. The advocates of both groups wanted to avoid a situation in which Europe was divided by numerous small sovereignties. Functionalists argued that there should be a minimal attack on sovereignty and for the creation of new institutions to handle functional needs as they developed. Federalists followers challenged the functionalists’ approach fearing that functionalist schemes would not work sufficiently to prevent Europe falling into small sovereignties, and therefore, the creation of a new federal institution was essential. In addition, they believed that such a federal institution would create stronger forces for integration. Federalists also stressed the importance of constitutional instruments which guided the relationship and competences of the federal and local bodies within a defined territorial area.

According to C.A. Duffy and W.J. Feld, the logic of functionalism rests upon the premise that the nation state, as presently constituted, is incapable of solving economic and social problems of a cross-border nature. In essence, those who favour a functionalist approach see the regional association as a means to improve the economic and social conditions of man and to replace eventually the present order of obsolete states. Functionalists attempt to identify common international economic and social problems and create regional organisations to deal with them. If for example people are able to perceive increased benefits and greater ability to solve regional or global problems, demands will be raised for the solution of other greater problems. This process will result in ever-widening circles of social and economic integration which social scientists term 'spill-over'. Experience in the Forum follows this proposition. First, the Island leaders had very general and simple expectations on specific matter, and then when those expectations were met they had greater aspirations which I term 'increased expectation'. The Forum’s objective in pursuing fisheries cooperation was an example of this. On the contrary, if they could not gain what they wanted, then they attempted to secure whatever achievement they could. For example, on regional trade the Forum initially wanted to establish a free trade area in the South Pacific, and the idea of single regional airline did not in the end become a reality. In both cases the Forum settled for other goals.

The development of European integration has stimulated political scientists to search


for other forms of integration which can be applied to developing countries. They have tried to reformulate the functionalist approach and renamed it neo-functionalism. The neo-functionalists claimed that 'the most effective way to break down national sovereignty, and thereby promote world peace, was to encourage cooperation on technical aspects of economic and social development rather than attempting the frontal attack on national sovereignty suggested by federalists'. Neo-functionalists believed that fully independent states could become politically unified through economic integration. According to Fry:

It involves first, the promotion of cooperation in politically important economic or social fields; secondly the 'spill-over' of cooperation into other fields as a result of the functional linkages between sectors; thirdly, the 'automatic politicisation' of this cooperation as it expands requiring the creation of supra-national authorities; fourthly, the shift of power to a new centre; and finally, the achievement of full political integration. It is claimed that by the time the new political unit is created loyalties will have already shifted to the new centre. This, they argue, is a more effective means of integration than the federalist approach which relies on a 'political act of will' and central institutions at the outset, and the hope that loyalties could later be transferred to the new unit.

Neo-functionalist theory has contributed to the understanding of regional integration among developing countries, although this understanding has been limited, especially about the likelihood of success, and the role that various factors play in influencing the success of regional integration schemes in these areas. Although there has been much pessimism expressed on this point, we see some qualified success in the Central American Common Market, the Andean Group and CARICOM. The model of cooperation adopted in most of the Third World countries, such as in CARICOM, the Andean Group, and the East African Community, was economic integration, which encompassed various degrees of market integration such as free trade areas, customs unions, common markets and economic union. Almost all such agreements emphasized functional cooperation. Nevertheless, none of them is pursuing a very high-level of economic integration which will lead to political unification like that in Europe. In the Third World the principal objective is not political integration, but national development which is aimed at improving the economic and social conditions of their peoples.

Though the Third World countries have been trying to modify the European integration concept to suit particular circumstances, most of them have not been completely successful.

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19. Ibid., pp. xiii-xiv.
The goals, conditions and consequences of integration in Europe have not been the same as those anywhere in the Third World. The economies of most developing countries are unstable and dependent on the international economic system over which they have little control.

Theories of regional integration pose problems for an understanding of how the South Pacific Forum functions. All of them have been proven to be based on false or inadequate assumptions. The most significant difficulty relates to the final objective which advocates regionalism as a strategy for achieving political integration like that in Europe. Regionalism within the South Pacific Forum framework is not a stepping stone to political unification, but as it was mentioned earlier, essentially a strategy to improve the social and economic conditions of the peoples.

Each of the three theories implies a slightly different kind of integration. Federalism emphasises central institutions as the path to integration, functionalism emphasises policy integration, and neo-functionalism focus on policy integration as well as advocating a medium level of institutional integration. They have only one factor in common, that is their understanding that integration involves the emergence of a supra-national institution, either for the handling of functional tasks, as in the functionalist model, or for wider aims as proposed by neo-functionalism and federalism. In all cases, integration is seen as the outcome, and involves the diminishing of national sovereignty. The federalist approach is the least relevant to the Forum. Members have never shown any interest in creating a strong central institution with authority over national spheres of interest. Also members have never considered constitutional arrangements separating federal and local powers. The last has been definitely rejected by the Forum leaders who believe that the main motive for the Forum's establishment was to gain indigenous control over the regional institutions. Each Island state preserves its full sovereignty while pursuing regional cooperation.

In some respects, however, functionalist theory applies to the Forum, though it fails to fully explain how the organisation actually works. The Forum has attempted to cooperate on functional tasks and has developed institutional forms to deal with specific issues such as fisheries and shipping.

If the SPF is analysed using those euro-centric theories, then it can be seen that it involves only a low level of integration. The Forum lacks a strong central institution which

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20 Fry reached a similar conclusion for South Pacific regionalism as a whole up to 1979.
has decision-making authority, and none of its members want to integrate politically. Experience in the Islands, as Fry also concluded in 1979, has shown that even the type of cooperation which requires more capital and sacrifice of sovereignty, such as regional civil aviation, do not succeed. Thus, to analyse the achievements of the Forum from the point of view of the level of integration would distort its significance and preclude an understanding of how the Forum functions. Without being politically integrated, the Forum has achieved a level of success comparable with other regional organisations such as ASEAN. The most important factor that made it successful was the working process itself, more specifically the member states’ frequency of meeting at the highest level, a communication which generated greater understanding and willingness to discuss issues within a congenial and peace-oriented environment, the ‘pacific way’. Close relations among its members have developed through the desire to cooperate and to facilitate policy coordination in areas of mutual interest. The consensus decision-making process has contributed to the Forum’s unity. Divisive issues such as the Bougainville crisis have never been on the Forum agenda because some members saw this crisis as incapable of quick resolution and ‘consensus’ being impossible. By deciding that it was an internal matter of the PNG government, Island leaders effectively avoided division. Another factor is the Forum’s role leading to increased governmental and non-governmental contacts among its members. It has also become a means for its members to improve their relations with the outside world. The recently created post-Forum dialogue system is the best example.

Apart from looking at the traditional theories of integration, it is also worth noting briefly some recent global developments which affect states’ attitudes toward regional cooperation, especially the industrialised countries’ involvement in the South Pacific Forum. The national interests of those countries have been and will depend on the global political, defence-security and economic environment.

The collapse of the Soviet Union and the Eastern European countries together with the agreement on arms reduction between the former USSR and the USA has ended the Cold War which previously influenced the perceived interests of states entering into regional arrangements. ‘Multipolarism’ in world affairs has now replaced the old form, ‘bipolarism’. Apart from these changes, there is another factor frustrating efforts to secure economic cooperation, most particularly the global trade negotiations, the ‘Uruguay Round’ of GATT. The present indications are that there will be slight positive progress in the near future.

The post-cold war regional arrangements have now given more emphasis to economic
and social matters than the defence and security motives which characterised the cold war period. After World War II the European Community was the first arrangement which had no defence-security orientation, then followed other state groups in various regions: in Africa, Southeast Asia, South and Central America and the Caribbean.\(^{21}\) Although most of them have a similar objective, that is closer economic ties, they vary in terms of the functions they perform. Some, like the Organisation of African Unity (OAU), promote only limited cooperation among member states, whilst others take the form of unions or free trade areas, for example the LAFTA, the Andean Group, and the Central African Customs and Economic Union.\(^{22}\)

The European Community moved further in 1992 by introducing a single European market. This recent development plus the changes in global political and economic environment discussed earlier have resulted in the emergence of new groupings in the last decade.

Having seen the relative success of Europe, countries elsewhere try to counteract by creating a similar form of integration or cooperation. The US, Canada and Mexico just reached agreement in 1992 establishing NAFTA (North American Free Trade Area), though the proposal itself was put forward many years before. Australia did not want to be left isolated by these developments. It aimed to embrace those countries which have fast growing economies in its neighbourhood in East Asia and Southeast Asia as well as in north America (the US and Canada). Australia’s proposal materialised when those countries held their first conference, called APEC (Asia Pacific Economic Cooperation) in Canberra in late 1989.\(^{23}\)


\(^{22}\) See G.E. Fry, 1979, op.cit., p.x.

\(^{23}\) Many countries were initially very suspicious toward Australia’s proposal. Leaders wanted to know exactly what major motives lay behind it. ASEAN countries were very concerned that such new regional cooperation would be institutionalised, and therefore compete with ASEAN. The first meeting in 1989 examined all those possibilities and consequences. ASEAN states were convinced that APEC would be entirely for economic cooperation and would not form any formal institution, though the Secretariat was set up in 1992 and based in Singapore. By 1992 APEC had conducted four meetings. Its membership now includes: Australia, New Zealand, ASEAN countries (Indonesia, Philippines, Malaysia, Thailand, Singapore and Brunei Darussalam), Japan, China, South Korea, Taiwan, Hongkong, the US and Canada.
3. SOUTH PACIFIC FORUM AND OTHER REGIONAL ORGANISATIONS

To help understand how the South Pacific Forum functions, the following brief comparison is made between the Forum and other examples of regional cooperation elsewhere in Third World countries, and more particularly with ASEAN.

The South Pacific Forum is more or less similar with other regional arrangements in most of the developing countries, although the degree of economic integration being attempted differs from case to case. As with most other groups of developing countries, the South Pacific Forum has relative low-level economic integration compared with regionalism in Central and Latin America which attempted high-level economic integration through customs unions and free trade areas. The South Pacific Forum is closer to those being operated both in ASEAN and the OAU.24

Even though there is some similarity between the South Pacific Forum and those of ASEAN and the OAU in terms of the degree of economic integration, there are some differences. As Fry argues:

First, the South Pacific region is composed almost entirely of micro states. The preoccupations, needs and capabilities of these states with regard to economic development and international relations are very different from those of larger developing countries. Secondly, the South Pacific is a region of Islands. There are, therefore, no borders between states in the region thus eliminating the possibility of border disputes which have plagued other regions.25 Thus the regional organisations do not have a peacekeeping or mediating function as, for example, the OAU has in Africa. Thirdly, regional cooperation was already being promoted in the South Pacific by the colonial powers before the Pacific leaders became committed to the concept during the 1960s.26

In regard to organisational status there is also a difference. CARICOM has a Charter, that is the Treaty Establishing the Caribbean Community, signed on July 4, 1973, at


25. Events have shown that among the Island states border disputes are still possible - as the incidents between the PNG and the Solomon have demonstrated.

Chaguaramas, together with an Annex establishing the Caribbean Common Market. These two documents regulate CARICOM. The South Pacific Forum, on the other hand, has no documents at all relating to its establishment and operations. As the Joint Committee on Foreign Affairs, Defence, and Trade, reports:

The Forum reflects the traditions of the region more than the usual practices of Western style diplomacy. The Forum has operated since its inception with no written constitution or international agreement governing its activities, and no formal rules relating to its purpose, membership, or the conduct of meetings. Forum decisions are reached by consensus.

If analysed based on the above theories, the South Pacific Forum cannot be regarded as an inter-governmental organisation (IGO). There are three criteria defining an IGO. The Forum only meets two: first, it has a membership of more than three states and second, it has a permanent secretariat (SPEC/ Forum Secretariat). The Forum does not meet the third criteria: it does not have a formal instrument of agreement as its basis. Therefore, the Forum is by such a definition only a voluntary association of heads of government. Because the cooperation being attempted was mostly in functional areas (which include economic and political fields), then the Forum can be regarded as a regional functional cooperation.

In relation to the degree of integration, as stated earlier, the Caribbean has a higher level of economic integration than the South Pacific. The South Pacific Forum and its related organisations have been emphasizing functional cooperation in such matters as aviation, shipping, telecommunications, fisheries, and trade. According to Fry, even though schemes 'involving a high degree of regional integration have often been contemplated - and sometimes attempted - there is a general preference for proposals involving a lesser degree of integration'. For instance, when a 'free trade area option was passed over, most of the Island

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27. The text of the Treaty can be found in *International Legal Materials*, 12 (1973), p.1033.


29. Regional organisations may be classified in several ways, based on the nature or scope of their functions or memberships, or possibly on the degree of eventual integration that is sought. One basic division is between Inter-Governmental Organisations (IGOs) and Non-Governmental Organisations (NGOs). Lynn H. Miller classified them into three types: (a) cooperative (or Bennett calls them 'multipurpose', (b) alliance, and (c) functional organisations. See A.L. Bennett, 1991, op.cit., pp.221-22 and L.M. Miller, 'Regional Organisations and Subordinate Systems' in L.J. Cantory and S.L. Spiegel (eds.), *The International Politics of Regions: A Comparative Approach*, (New Jersey: Prentice hall, 1970), pp.357-78.


31. For the purpose of this study, the term regional 'organisation', 'association' or 'cooperation' will be used interchangeably to refer to the Forum.
leaders were in favour of ad hoc regional trade promotion and the negotiation of preferential access to the Australian, New Zealand, and EEC markets'. This illustrates that the Pacific Islanders have no serious intention of adopting a high degree of economic integration.

4. SOUTH PACIFIC FORUM AND ASEAN

A comparison between the Forum and ASEAN by highlighting the common and the contrasting aspects, more especially on the basis of formation, membership, structure and areas of cooperation, will assist understanding of how the Forum functions.

ASEAN was formed five years before the Forum was created. Political and security motives led to its formation, although its declared objectives are economic, social and cultural cooperation; but ASEAN leaders resisted a military alliance which would compromise ASEAN's declared neutral posture. Regionalism was regarded as necessary for regional stability and individual nation building. This security-oriented motive can be seen in The Treaty of Amity and Cooperation in Southeast Asia produced by the first ASEAN summit meeting in Bali in 1976. The treaty, among other things, provides for the peaceful resolution of disputes between members. Though 'economic growth was the major priority of the Association, cooperative efforts were not focussed on economic objectives until a level of political stability between members was achieved'. The establishment of the Forum, by contrast, was not motivated by this kind of argument. The Forum was formed because of the desire of the independent Island states' leaders to gain more control of regional institutions. Anti-colonial sentiments also played an important part in its formation (for details see Chapter III Section 3).

There are, however, some similarities. First, both are not the first regional organisations in their regions. Previously in the South Pacific, there were the SPC, PIPA and

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33. There has been a study of the applicability of the above theories to these two regional organisations and some points contributed to this section. For complete analysis, see Susan E.A. Colman, Regional Cooperation in Southeast Asia and the South Pacific: ASEAN and the South Pacific Forum in Theory and Practice, unpublished B.A. thesis, (Sydney: Macquarie University, 1986).


the USP, whereas in Southeast Asia, there were ASA (Association of Southeast Asia), SEATO (South East Asia Treaty Organisation) and Maphilindo (Malaya, Philippines and Indonesia). Both ASA and Maphilindo lacked the political will to solve disputes between members and failed to survive. Second, both ASEAN and the SPF have common goals: to promote economic growth, social progress and cultural development. Though the common goals have been pursued differently by the two organisations, the goals reflect the common belief that regional cooperation on those areas can benefit individual members.

In terms of membership, the two organisations have differences. ASEAN was established by five independent Southeast Asian states (Indonesia, Malaysia, Singapore, Philippines, and Thailand) and was until recently joined by only one other state (Brunei Darussalam in 1986), whereas, the Forum’s membership has more than doubled after twenty years. The Forum members include two former metropolitan powers (Australia and New Zealand) and as a result the Forum consists of both developing and developed countries, whereas, ASEAN excluded their former metropolitan powers, and thus, it consists of only developing states. Australia and New Zealand are ASEAN dialogue partners. Nevertheless, there is a similarity between ASEAN and the SPF: neither organisation encompasses the entire region in which it operates.

Organisational structures and the legal status of the two organisations developed slowly to accommodate the increasing activities undertaken. This was because the member states of these organisations in the earlier period did not have any agreed formula about how the organisations would function or what directions they might take. In addition to that, the slow development was caused by desires of the leaders to get to know each other before facing the real substantive effort of cooperation.

There is another common characteristic to both organisations: no members have surrendered their national sovereignty. Neither organisation possesses a supranational structure or regional centre with high authority (as the above theories suggest). The institutional structures of ASEAN and the Forum (the ASEAN secretariat based in Jakarta and the Forum secretariat in Suva) are of an inter-governmental type and function as coordinating bodies for their members, although the organisational structures of the two differ markedly. Participation in cooperative ventures is not obligatory. Members are free to assess

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Meeting arrangements of the Forum and ASEAN also have similarities and differences. Both organisations hold Ministerial meetings annually, but ASEAN has more ministerial meetings than the Forum. This is primarily because the Forum countries lack professional staff and have greater budget limitations compared to ASEAN members. Government bureaucracies in the Forum Island states are small and as a result foreign policy issues tend to be dealt with by the heads of government themselves. The Forum's heads of government have their summit annually, whereas ASEAN has no agreed formula on this. In more than two decades, ASEAN has held only four summit meetings: in 1976 (Indonesia), in 1977 (Malaysia), in 1987 (Philippines) and 1992 (Singapore). It was not until at the fourth summit recently that the ASEAN leaders agreed to hold the summit every two years.

The highest policy-making bodies of both organisations are the same: the heads of government meetings, and decisions are taken on a consensus basis. The Forum has the term, the 'Pacific Way' and ASEAN has the term 'musyawarah diplomacy', an Indonesian term which is characterised by an emphasis on the equality of the participants and by an absence of institutionalised mediatory services, the preference being instead to settle disputes peacefully without any legal procedures.

ASEAN has a stronger legal status than the SPF. ASEAN was established when a declaration called the ASEAN Declaration or Bangkok Declaration was signed on 8 August 1967 by the Foreign Ministers of Indonesia, Malaysia, the Philippines, Singapore and Thailand. The Bangkok Declaration, however, does not have a strong legal status, because it is only a statement by the five Foreign Ministers to declare the birth of ASEAN and is not a Charter or a Treaty. Although ASEAN's objectives have been stated explicitly, further provisions regarding the conduct of the organisation such as its mechanism and other matters were absent. In the first nine years of its existence, there was no co-ordinating secretariat like that in the South Pacific Forum which established the SPEC/Forum Secretariat one year after the Forum was formed. It was not until 1976 when ASEAN heads of government met in Bali for its first Summit Meeting, that ASEAN became a regional organisation with a stronger legal status. In that first Summit Meeting, two important documents were signed: the Declaration of ASEAN Concord and the Treaty of Amity and Cooperation in Southeast Asia.

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37. The emphasis of the 'Pacific Way' is on equality, communalism, self-sufficiency and consensus, a rejection of colonialism and respect for tradition. For details, see Ron Crocombe, The Pacific Way: an Emerging Identity, (Suva: Lotu Pasifika Production, 1976), pp.1-12.
Also in that meeting an ASEAN Secretariat based permanently in Jakarta was approved, a major step toward creating a true bureaucratic framework for ASEAN development.

The signing of the Declaration of ASEAN Concord made a significant contribution to regional cooperation by delegating responsibility for drawing up a blueprint for economic integration to the countries’ economic ministers. Whereas in the Treaty of Amity and Cooperation in Southeast Asia, the five ASEAN members essentially agree to adhere to a common code of diplomatic behaviour (for instance, non-interference in the internal affairs of other countries) and set up formal mechanisms for settling intra-ASEAN disputes. These documents, inter alia, established the aims, objectives and principles of economic cooperation in ASEAN.

Thus, post-Bali Summit, ASEAN has formal legal documents which, based on integration theories, mean that it could really be regarded as an inter-governmental organisation. However, compared to the SPF, ASEAN was late in establishing a permanent secretariat which can be regarded as a motor of the organisation. It is understandable, then, when critics argue that in the first nine years of its establishment, ASEAN’s progress toward closer economic cooperation was disappointing. The Bali Summit was hailed by many observers as a breakthrough in the development of ASEAN as a regional entity, and as the beginning of meaningful economic cooperation.

In terms of the level of economic integration, both organisations are similar: both aim to enhance economic cooperation in all fields to foster development. Compared to CARICOM, both areas have a low level of economic integration. But ASEAN has a higher level than the SPF. ASEAN sees a high level of economic integration such as in the form of a free trade area, a customs union or a common market as its long-term objective. In this context, the Kansu Report in 1974 suggested ‘that the ASEAN countries were not ready yet to accept very close and complete integration in the form of a free trade area, ...’. To achieve its long-term objective and realising the economic conditions at present, ASEAN has adopted a selective liberalization (product by product) approach. And this was formalised when the

38. Previously, the ASEAN foreign ministers had met regularly to discuss common problems and draft cooperation statements. At the Bali summit bureaucrats with the necessary expertise were given responsibility for drawing up policy proposals and implementing ASEAN decisions.

39. A United Nations Study Team headed by G. Kansu was appointed, at the request of ASEAN, in 1970 to identify possible ways for cooperative action between ASEAN countries. The Report was ready in 1974, and it recommended three main techniques for trade and industrial cooperation. For details see Economic Cooperation for ASEAN: Report of a United Nations Team, monograph, 1974.
main instrument, the Agreement on ASEAN Preferential Trading Arrangement (PTA) was concluded in 1977 and implemented in January 1978. The Agreement was a result of a compromise between the two groups, Singapore and the Philippines which were in favour of trade liberalization on one hand, and Indonesia, Malaysia and Thailand which preferred selective trade liberalization on the other. ASEAN moved further most recently. At the fourth ASEAN summit in Singapore in January 1992 the six member states agreed to establish an ASEAN Free Trade Area (AFTA) by the year 2000. The objective of AFTA is to lay the foundation for the creation of a single ASEAN market. As an initial trial, only fifteen product groupings in ASEAN countries are now subject to this new arrangement. This new development means the Forum is left far behind on trade issues.

There is also another clear similarity between the SPF and ASEAN. Both have no intention of achieving political unification as the final goal. Regionalism in both organisations is aimed at fostering economic cooperation for the benefits of individual countries as well as for the region as a whole. Beside attempts at functional cooperation, both also attempt to tackle major political issues in their regions. The Forum leaders have devoted much of their time to addressing the decolonisation process of non-Forum member (New Caledonia), nuclear issues, and the environment, whereas, ASEAN, together with the international community, has been busy helping its neighbour, Cambodia, to settle its internal problems and to discuss regional security, in particular its ZOPFAN (Zone of Peace, Freedom, and Neutrality) concept and its SEANWFZ (South East Asian Nuclear Weapons Free Zone) proposal.

The brief comparison of those two regional institutions has helped the author understand the background of the Forum's establishment, and in turn, enable the author to answer the main questions raised in the thesis: what the Forum's leaders expected from the Forum and whether those expectations were met.

Similarly, although the three established approaches discussed earlier were unsuitable to the present study, they contributed in one way or another to understanding the Forum's operation. To guide the approach the following inter-related propositions are adopted here:

1. that the South Pacific Forum is, by the above definition, not a regional organisation.

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40. see Chia Siow Yue, op.cit., pp. 8-11.

It is merely a voluntary association of heads of government of the independent South Pacific Island states that have agreed to meet annually to discuss their common concerns. It is better called 'regional functional cooperation',

(2) though the initial motivation for its establishment was political, it later addressed many of the major economic issues of the region,

(3) though the member states pursue economic cooperation, they have never been committed to a higher degree of economic integration,

(4) that the economic cooperation being attempted is, to borrow Fry's term, 'not a stepping stone for achieving political unification'. Economic cooperation for the Forum should be seen as a means to improve the economic conditions of the member countries,

(5) though the Forum's creation was aimed at gaining more indigenous control for their own regional grouping, its leaders could not, in fact, leave out their two former colonial powers (Australia and New Zealand). The two countries were invited to become members in the hope that they would contribute some things which the Island states did not have, such as finance, expertise, experience in international diplomacy, etc.. As a result, the Forum is also used by the two former metropolitan governments to assert control on certain issues, or at least to influence to some degree the agenda and policies,

(6) that the Forum is used by its member states to oppose countries outside the region, especially those that have incompatible policies with those of the Island states,

(7) that the Forum is used for attracting more foreign aid, both through its secretariat and its Forum-related agencies.

Even though the South Pacific Forum operates beyond the characteristics offered by the three established theories, it has proven to be successful. The Forum's existence as an effective means of articulating regional policies is recognised by the world community.
CHAPTER II
THE FORUM COUNTRIES AND REGIONALISM

In addition to the theoretical approach discussed previously there are other factors that will help us understand the South Pacific Forum. These are the characteristics of the Forum members: geography, social and cultural values, political history and economic condition. These inescapable material and human factors have helped determine policies toward regional cooperation, most particularly the Forum. Before entering the main discussion on the Forum itself (its origin and organisational matters), it is also worth examining briefly other regional forms of cooperation that existed in the region prior to the Forum.

1. Characteristics of the Forum Countries
1.1. Geographical Features

The Forum member states have cultural and social differences, as well as variations in political and economic conditions. The Pacific Islanders, since Dumont D'Urville who explored the Pacific in the second quarter of the nineteenth century, have been divided into three great cultural groupings: Polynesia, Melanesia, and Micronesia (see Map 1). All FICs, of course, belong to one of them. Polynesia, meaning many islands, is shaped like an enormous triangle with Easter island, Hawai'i, and New Zealand each serving as corners. Inside the triangle there are Tonga, Samoa, Niue, Tuvalu, Tokelau, the Cook Islands, Tahiti and other small islands. Melanesia, meaning black islands - because of their dark volcanic colour rather than the skin colour of their inhabitants - forms a crescent wrapped around the northeast coast of Australia stretching from Papua New Guinea (including Irian Jaya) in the west, the Solomon Islands and Vanuatu in the middle, to New Caledonia in the southeast. And Fiji can be regarded as part of Melanesia or Polynesia or of both. Fijians are physically similar to many other Melanesian peoples, whereas their culture has more in common with Polynesia. In this study Fiji is classified as Polynesian state. The last grouping, Micronesia, means small islands. It lies mainly north of the equator and consists of a series of small islands: Kiribati, Nauru, the Marshall Islands, the Federated States of Micronesia, Palau (now Belau), Guam, and the Northern Mariana Islands.

1. Though the discussion here is limited to members of the Forum, some territories will be touched briefly if they have close connection with them, for example, the former Trust Territory of the Pacific Islands, two sections of which gained independence and became members of the Forum in 1987. Also, discussion on what the Forum did in addressing the nuclear testing and decolonisation issue will inevitably include French Polynesia and New Caledonia.
MAP 1

CULTURE AREAS OF THE PACIFIC

North Pacific Ocean

South Pacific Ocean
The total land area of the South Pacific region is 550,652 km² of which Forum Island Countries (FICs) have 95.5% (526,058 km²). This can be further divided: Melanesia's FICs have 96.5%, Polynesia's FICs 3.7% and Micronesia's FICs 0.3%. PNG has the biggest land area (89% of FICs' total) and Nauru has the smallest (21 km²). The region covers a vast area of ocean. FICs' EEZs are 63% (17,220,000 km²) of the total South Pacific region (27,394,000 km²) compared to non-FICs' EEZs which account for only 37%. In contrast to land, Melanesia's FICs control only about 19% of the FICs' EEZs. Micronesia's FICs dominate with 40%. Kiribati alone has 3,550,000 km² (52% of the total Micronesia's FICs, or 21% of total FICs' and 13% of the region's total). By contrast, Western Samoa has the smallest EEZ, 120,000 km² (see Table 1 and Map 2).

FICs also dominate the population in the South Pacific. They have 89% (5,236,000 peoples compared to 11% in the non-FICs). Melanesia has 77% of all people, more specifically, PNG itself has 88% of all Melanesia's FICs (3,528,500). In contrast to PNG, Niue is the least populated. It has only 2,500 people (see Table 1).

Although the Pacific Islands are basically of volcanic origin, they can, according to Te'o I.J. Fairbaim, be classified into three geologic categories: (a) complex serpentine formations - for instance PNG, the Solomon Islands, and New Caledonia; (b) high volcanic structures - such as Western Samoa, Rarotonga in the Cook Islands; and (c) coral atolls - such as the Northern Cook Islands, Tokelau and the Marshall Islands. Countries in the first category have large lands and natural resources. They generally have high mountains and rugged terrain. Those in the second category are also physically diverse. Rugged mountain ranges, smaller land masses, short fast-flowing river systems, and some mineral resources are common. Island states in the third group are tiny, low-lying and flat, and certainly lack land-based resources - except for Nauru with its phosphate which will run out in about ten years time.

1.2. Social and Cultural Features

The three groupings - Melanesians, Micronesians, and Polynesians - reflect huge differences in the social and cultural lives of the Islanders. There are many social differences

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2. The South Pacific Region in this study includes all 22 island states and entities covered by the SPC. Therefore, this excludes Irian Jaya (an Indonesian province), Hawai'i (a US state), Easter Islands (a province of Chile), Norfolk Islands (Australia's territory) and New Zealand.


4. Ibid., p.4.
### Table 1

**FORUM ISLAND COUNTRIES (FICs): PHYSICAL AND ECONOMIC INDICATORS**

<table>
<thead>
<tr>
<th>Country</th>
<th>Areas: Land and Seas</th>
<th>Population (mid-1990)</th>
<th>GNP per capita #</th>
<th>ODA per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Land, Km2</td>
<td>Seas/ EEZ 000km2</td>
<td>Total</td>
<td>Density/ Km2</td>
</tr>
<tr>
<td>Papua New Guinea</td>
<td>462,243</td>
<td>3,120</td>
<td>3,528,500</td>
<td>8</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>27,556</td>
<td>1,340</td>
<td>324,000</td>
<td>12</td>
</tr>
<tr>
<td>Vanuatu</td>
<td>12,190</td>
<td>680</td>
<td>146,400</td>
<td>12</td>
</tr>
<tr>
<td><strong>Sub Total MELANESIA</strong></td>
<td><strong>501,989</strong></td>
<td><strong>5,140</strong></td>
<td><strong>3,998,900</strong></td>
<td><strong>8</strong></td>
</tr>
<tr>
<td>Cook Islands</td>
<td>237</td>
<td>1,830</td>
<td>16,900</td>
<td>71</td>
</tr>
<tr>
<td>Fiji</td>
<td>18,272</td>
<td>1,290</td>
<td>725,000</td>
<td>40</td>
</tr>
<tr>
<td>Niue</td>
<td>259</td>
<td>390</td>
<td>2,500</td>
<td>10</td>
</tr>
<tr>
<td>Tonga</td>
<td>747</td>
<td>700</td>
<td>96,300</td>
<td>129</td>
</tr>
<tr>
<td>Tuvalu</td>
<td>26</td>
<td>900</td>
<td>10,200</td>
<td>392</td>
</tr>
<tr>
<td>Western Samoa</td>
<td>2,935</td>
<td>120</td>
<td>157,700</td>
<td>54</td>
</tr>
<tr>
<td><strong>Sub Total POLYNESIA</strong></td>
<td><strong>22,476</strong></td>
<td><strong>5,230</strong></td>
<td><strong>1,008,600</strong></td>
<td><strong>44</strong></td>
</tr>
<tr>
<td>Fed. States of Micronesia</td>
<td>701</td>
<td>2,978</td>
<td>101,200</td>
<td>144</td>
</tr>
<tr>
<td>Kiribati</td>
<td>690</td>
<td>3,550</td>
<td>71,800</td>
<td>104</td>
</tr>
<tr>
<td>Marshall Islands</td>
<td>181</td>
<td>2,131</td>
<td>46,200</td>
<td>255</td>
</tr>
<tr>
<td>Nauru</td>
<td>21</td>
<td>320</td>
<td>9,300</td>
<td>443</td>
</tr>
<tr>
<td><strong>Sub Total MICRONESIA</strong></td>
<td><strong>1,593</strong></td>
<td><strong>6,850</strong></td>
<td><strong>228,500</strong></td>
<td><strong>143</strong></td>
</tr>
<tr>
<td><strong>Total FICs</strong></td>
<td><strong>526,058</strong></td>
<td><strong>17,220</strong></td>
<td><strong>5,236,000</strong></td>
<td><strong>10</strong></td>
</tr>
<tr>
<td><strong>Total Non-FICs</strong> *</td>
<td><strong>24,594</strong></td>
<td><strong>10,174</strong></td>
<td><strong>619,100</strong></td>
<td><strong>25</strong></td>
</tr>
<tr>
<td><strong>TOTAL THE REGION</strong></td>
<td><strong>550,652</strong></td>
<td><strong>27,394</strong></td>
<td><strong>5,855,100</strong></td>
<td><strong>11</strong></td>
</tr>
</tbody>
</table>

**Notes:**
* Non-FICs include: New Caledonia, American Samoa, French Polynesia, Wallis and Futuna, Tokelau, Pitcairn, Guam, Northern Mariana, and Belau

# National Income figures for FSM apply to the TTPI; and for the Cook Islands and Fiji are for GDP.

**Sources:**
200 MILE EXCLUSIVE ECONOMIC ZONES OF THE PACIFIC ISLANDS

Prepared for the Center for Pacific Islands Studies
University of Hawai‘i at Manoa
by Monica Magnotta, 1987

Lines depicting the 200 mile Exclusive Economic Zones are generalized and should NOT be used for any legal purpose.
in the region, on grounds of class, caste, income, occupation, race, and religion. The extent of these differences have special significance for Pacific cultures. In fact, internal diversity can be found almost in each state. For example: the main lines of cleavage between the diverse tribes of New Guinea, the Solomon Islands, and Vanuatu are linguistic, cultural, and physical. In New Caledonia and Fiji the deep divisions are racial - between Asians, Europeans, and Melanesians. Whereas, in Samoa, Tonga, and the Marshall Islands, the major divisions are in terms of rank.

Social classes and hierarchical systems of chieftainship in Polynesian and most Micronesian Island countries are more important than in Melanesia. The social status of Polynesians and Micronesians is determined at birth. If they were born of chiefly parents then they will inherit that status. By contrast, in Melanesia most people have the same status at birth. Melanesians will normally gain high social status only from their own efforts. Many of those who acquire economic power are usually able to gain political power. On the other hand, this does not happen in Polynesia. If a man is born as a chief, he will enjoy high social status. From that, he will gain political power and consequently he has economic power.

The Pacific Islanders have many religions and faiths, more particularly in the case of Fiji where there are religions and beliefs brought by the Indians: Hinduism, Buddhism, Islam, and other beliefs. Although new religions came in, the traditional religions have survived in many areas. New religions such as Christianity have been incorporated into, and modified by, local cultures.

Christianity is the biggest religion in the region. Churches have much influence in all Island societies. Churches provide most education as well as medical and welfare services in most of the Island states. Take, for example, Kiribati. The Churches have five secondary schools compared to one owned by the government. Similarly in Tonga, the Methodists can claim 'we have more schools (90%) than those run by the government'. The churches also contribute to political leadership. For example, Vanuatu's first Prime Minister was Father Walter Lini. In Bougainville, Father John Momis, the provincial representative in the National Parliament, was a priest. In Tonga, all Ministers in the government have very close associations with churches.

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6. Interview with His Lordship Paul Mea, the Catholic Bishop, Tarawa, 17 September 1991.

7. Interview with Sione Havea, President of Methodist Church of Tonga, Nuku'alofa, Tonga, 6 November 1991.
Twelve of the thirteen Ministers in the present cabinet belong to the Methodist Church and one to the Seventh Day Adventist. Similar cases of eminent church men holding senior political positions occur in other Islands states and territories.

As a result of socio-cultural mixtures, and the geographic fragmentation, there is great diversity in the languages spoken in the region. Linguists have identified over 1200 distinct languages, although it should be noted that about 700 of these are spoken in Papua New Guinea. This means almost one-quarter of all the world’s languages are spoken in the Pacific. However, measured against the Pacific Islands populations, the average is less than 5000 speakers per language.

The Papuan languages which are spoken mainly on the island of New Guinea originated, as Professor Crocombe argued, from what is now Indonesia. Papuan languages, according to linguists, are included in a group of the so-called Non-Austronesian languages. The second major group of languages, Austronesian, derived from Proto-Austronesian which ‘was spoken in the Formosa-Philippines region, and ... the speakers expanded from there in two main directions: southwest into Borneo, Java, Sumatra, etc., and southeast into eastern Indonesia and New Guinea’. Among 800 Austronesian languages, 450 are found in the Pacific Islands, and the rest are found in Indonesia, Malaysia, Philippines, Southern Vietnam, among the aboriginal people of Taiwan, and as far west as Madagascar.

1.3. Economic Features

In economic terms, there are many different levels of development and natural resources. The greater range of basic resources available to Melanesian people than to Polynesian has resulted in great socio-cultural differences. The more limited the technology, the greater the influence of environment on culture. In Polynesian and Micronesian societies, the larger the
island and the richer the resources, the more it was divided by social class.

In terms of resource endowment and development potential, Fairbaim divides the Island states into four groups. The first comprise the relatively large island groups (PNG, Fiji, the Solomon Islands, Vanuatu and New Caledonia) and they have the best resource potential. Each possesses extensive land areas for agriculture and several have large EEZs. As a result, there are developments and potential in areas such as agriculture, forestry, fisheries, tourism and in some cases, minerals. The second group are the middle size islands (Western Samoa and Tonga) which have modest resource bases. With their limited land areas they have some, but restricted, potential in agriculture. Their EEZs are also small and they have no commercially exploitable minerals. The third group are small, remote, and resource-poor islands (Kiribati, Tuvalu, Niue and the Cook Islands). Land based resources are very limited. And consequently they have slight agriculture potential and cannot attract foreign tourists. Except for products from the sea, crops, especially copra, are the only exportable commodities. The fourth group are those which gain huge financial flows because of their strategic importance (FSM, Marshall Islands, and French Polynesia) or from compensation for the loss of a natural resource (Nauru). With these cash flows, these states have been able to raise their living standards.12

1.4. Political Features

Thirteen states from the twenty two entities in the south Pacific region are members of the Forum. Nine are fully independent and four are self-governing in free association (two with New Zealand and two with the US - see Table 2). The first state to gain independence was Western Samoa in 1962, and it was not until 1975 that half of the Forum members gained independence.13 Compared to other countries in other regions, the Island states are small and new.

The South Pacific was the last major area to experience colonisation at the hands of Western powers and Japan. Except Tonga,14 all have been colonised by European powers (including Australia and New Zealand which ruled initially on behalf of Britain). Although Islanders are well aware of the problems created by the colonial relationships, they generally feel


13. For details of the decolonisation process, see Chapter III.

14. Although the Kingdom of Tonga was never formally colonized, it was influenced by the British. In 1900 Tonga and Britain signed a treaty in which Tonga essentially agreed to turn over its foreign affairs to Britain and was extensively guided and influenced by the British.
<table>
<thead>
<tr>
<th>Current or Former Colonial power</th>
<th>FORUM MEMBERS</th>
<th>NON-FORUM MEMBERS (Continued Dependent Status)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fully Independent States</td>
<td>Self-Governing in Free Association</td>
</tr>
<tr>
<td>New Zealand</td>
<td>Western Samoa (1962)</td>
<td>Cook Islands (1965)</td>
</tr>
<tr>
<td></td>
<td>Tonga (1970)</td>
<td></td>
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<tr>
<td></td>
<td>Tuvalu (1978)</td>
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<td></td>
<td>Solomon Islands (1978)</td>
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<tr>
<td></td>
<td>Kiribati (1979)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vanuatu (1980)*</td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>Nauru (1968)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Papua New Guinea (1975)</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>Vanuatu (1980)*</td>
<td></td>
</tr>
</tbody>
</table>

**Notes:** Vanuatu appears twice, because it was jointly administered by the UK and France.

This Table excludes Pitcairn Island, Easter Island, Hawai‘i, Norfolk Island, and Irian Jaya. Years in parentheses indicate date of independent/free association.

**Source:**
more appreciative of benefits derived during the colonial era than do peoples who went through colonial experiences in Africa and Asia. It is no wonder many of them have chosen to retain a colonial link and most Island states formerly ruled by the British adopted her political system and incorporated it with local tradition.

Although the Forum Islanders had generally opposed colonialism, the degree of their antagonism has varied. On one hand, Island states such as Vanuatu and, to a lesser extent, the Solomon Islands have a stronger anti-colonial sentiment than others such as Tuvalu and Kiribati. Some Island states have chosen formal close ties with their former metropolitan powers in the form of free association. Included in this group are the Cook Islands, Niue, the Federated States of Micronesia and the Marshall Islands. Nevertheless there was one commonality: they probably all wanted their countries to be fully independent but at the same time they had very limited economic capability to support complete separation. The Pacific Islanders use the language and arguments of anti-colonialism, many have felt the slights suffered by colonial peoples, but they are much more likely to retain formal and informal links with the metropolitan powers than most other ex-colonies. The decolonisation processes of the Forum Island states were generally smooth. The post-independence period is politically stable, except in some countries which experienced problems in the 1980s such as ethnic rivalries which culminated in military coups in Fiji, law and order alarms and guerilla war in PNG, and riots in Vanuatu.

All heads of government of the Island states, except Tonga, are elected by parliament. Heads of state in all Forum Island countries except in Western Samoa, Nauru, Kiribati, and Fiji, Vanuatu, Tonga, Marshall Islands, and the Federated States of Micronesia are governors-general. Each head of government in Tuvalu, Solomon Islands, PNG, the Cook Islands and Niue advises the British queen to appoint its head of state.

All former British colonies are members of the Commonwealth, except Fiji which declared itself a republic and left the Commonwealth following the coups in 1987. Similarly the former US colonies, the Marshall Islands and the FSM, are closely affiliated with the US. The main reason for their closeness was they do not wish to lose the benefits of financial aid and other opportunities available through ties with the former masters. This proposition applies mostly to Forum countries that have chosen self-government in association.

Although colonisation of the South Pacific by Europeans has changed nearly all aspects of traditional life in the region, Pacific Islanders believe they have some culture in common:

adventurous ocean voyaging, cultivation of root crops, strong family and village ties, and a rich ceremonial life based on exchange and personal display. And their shared experience in the distant and recent past is the basis of the Islanders' attitude towards the establishment of regional cooperation. After gaining independence, they continued sharing their experiences: they have similar anti colonial feelings and new leaders, they possess few resources; and they are economically weak, vulnerable to natural disasters, and dependent on their former colonial masters and other external benefactors.

All the vast differences among the Island states have influenced their behaviour towards regional cooperation, especially the Forum. Take for instance, the degree of support given to certain issues such as the Rarotonga treaty, the decolonisation process in New Caledonia, and the environment. The Polynesian states had moderate positions when the treaty and the decolonisation issues were discussed. By contrast, their Melanesian counterparts were tougher and more aggressive. There are fundamental reasons for this. The Melanesian states had richer resources, thus making them more self-confident. This, combined with their path to independence, which involved more struggle (more specially in Vanuatu) compared to those in the Polynesian states, meant they had stronger anti-colonial feelings. Their protests against nuclear testing and their push for decolonisation in New Caledonia were mostly because of their anti-colonialism, especially against France, and also because the Kanaks were fellow Melanesians (see Chapters III and IV). The Melanesian states asserted their collective approach by forming the Melanesian Spearhead Group (MSG) in 1986. They formalised their relationship in a 'Joint Declaration of Principles' in 1988. The Kanak pro-independence party, FLNKS, joined the Group in 1989. Areas of cooperation being attempted are wide ranging, from political, economic, social and cultural issues, to emigration. The Melanesian states have an annual summit meeting which usually takes place before the Forum annual meeting.

On environment, the smaller Island states of Kiribati, Tuvalu, Nauru, the Cook Islands, and Niue were the most vocal. The reason is clear. They were aware of the physical condition of their atoll countries which may disappear in the event of the sea level rises. In addition, they had stronger antagonism towards countries outside the region that wanted to use the region as a dumping ground for their nuclear wastes (Chapter V).

The vast differences in economic endowment also affected the FICs' perception on regional economic ventures such as trade, fisheries, and regional transport. The richer resource

16. The Melanesian states with their more turbulent and aggressive internal politics are also more likely to be more aggressive to each other - as on the Solomon-PNG border.
Island states of PNG, Fiji, and to a lesser extent, the Solomon Islands, Vanuatu, Western Samoa and Tonga, pushed more strongly for the early conclusion of the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA) than the smaller Island states because they were aware of the benefits that they would derive from supporting such an arrangement. The smaller Island states knew that they had no significant commodities exportable to Australian and New Zealand markets. Nevertheless, these smaller states still supported the Agreement, first because there is a provision which gives them direct benefits from the technical assistance and training. Services provided by the two trade offices (in Sydney and Auckland) were most valuable to them. The second reason for supporting the Agreement was to show their solidarity toward regional cooperation (see Chapter VI).

The Island states' different resources also affected their positions on the FFA's proposal. Those that were rich in fish, such as PNG, the Solomon Islands and most of the Micronesian states were the main benefactors, and therefore, they were very active during the negotiations. Fiji, PNG, and Western Samoa also contributed significantly, in particular, during the UN Conference on the Law of the Sea. Tonga, and other Polynesian states, though fully supporting, were in moderate positions, because they have relatively few fish resources (Chapter VII). On regional transport (shipping and airlines), Fiji dominated. Fiji has been well served by Island transport schemes and it had more commodities (goods, services and tourists) to carry to and from Fiji. In short, the different positions adopted by the Island states have been influenced by economic forces, by divisions between the large and small, by cultural groups, and by historical factors.

2. Regional Cooperation prior to the Forum17

2.1. The South Pacific Commission (SPC)

The first post-World War II regional institution in the South Pacific was the South Pacific Commission (SPC), founded in 1947 by the six metropolitan powers (Australia, France, the...
Netherlands, New Zealand, the United Kingdom, and the United States of America). The agreement establishing the SPC, popularly called the Canberra Agreement, stated that the purpose of the organisation was 'to encourage and strengthen international cooperation in promoting the economic and social welfare and advancement of the peoples of the non-self governing territories in the South Pacific region administered by them'. The agreement was reached because of strong initiatives by Australia and New Zealand, and supported after long negotiation by other metropolitan governments. The motives in creating the SPC were mostly political and defence-security rather than economic. Australia and New Zealand, as the main architects, hoped that it would provide them with a means to a more influential role in Pacific affairs. This can be seen for example in Herbert V. Evatt’s (Minister for External Affairs) idea of having 'a strong desire to unite all the islands in the Australia’s northern and eastern flanks in some military alliance and the proposed welfare agency was a step in this direction'. The SPC’s stated objective of 'advancing the development and well-being of the native people' can be seen as providing a convenient cover and legitimation to ensure support and acceptance from Pacific Islanders and the international community. There was other evidence of this defence-security motivation. This can be found in the ANZAC Pact:

Within the framework of a regional system of world security, a regional zone of defence comprising the southwest and South Pacific areas shall be established and that this zone through the arc of islands north and northeast of Australia, to Western Samoa and the Cook Islands.

Evatt’s speeches and writings on foreign policy in 1943 and 1944, as Fry has explained, also stressed the importance of the Islands to Australia’s security, and the desirability of establishing a regional zone of defence.

For both Britain and France, the SPC could provide the administrative machinery through which governments concerned in the region could work together ‘firstly in matters affecting military security, and later for the improvement of social and economic conditions’. Strategic reasons were also at work influencing the United States’ involvement in the SPC, more
importantly its presence in Micronesia (formerly the US Trust Territory of the Pacific Islands). In 1963 Rear Admiral Luther C. Heinz from the office of the Assistant Secretary of Defence for International Security Affairs stated:

it is of primary importance to the security of the US and the free world that the Pacific islands which control the strategic lines of communication in the Pacific remain in friendly hands. ... I wish to assure the members of the committee that the South Pacific Commission is important in providing the basis for maintaining a friendly climate in the Pacific. This friendly climate is necessary for the maintenance of allied lines of communication to forward deployed forces and Asian allies.23

In 1965, before the same subcommittee, Rear Admiral Francis J. Blouin, the US Regional Director, Far East, Office of the Assistant Secretary of Defence, stated similarly that 'the broad reaches of the Pacific and the numerous island chains whose people are the beneficiaries of the work of the Commission are directly important to our national security ...'. He further stressed that 'retention of these Pacific Islands in friendly hands is basic to freedom of the Pacific and potential military value in support of our line of forward defence bases in the western Pacific'.24

Membership of the SPC included the six metropolitan governments25 and the independent and self-governing states as well as dependent territories in the South Pacific region.26 The SPC is headed by a Secretary General and has a permanent secretariat based in Noumea, New Caledonia. More than two decades after its establishment, the SPC was regarded as a regional institution dominated by the metropolitan powers, but from the late 1960s and then during the 1970s, when many Pacific territories gained independence, the metropolitan powers' role was reduced due to the Islanders' demand for indigenous control. This was demonstrated in 1970 when H. J. Moors from Western Samoa became the first Islander to hold the SPC's Secretary General post, and since then the post has been held by Islanders.

23. This statement was delivered in the hearings on H.J. Res.666, regarding the US membership and participation in the SPC with the Subcommittee on International Organisations and Movement of the Committee on Foreign Affairs of the House of Representatives. For details see H. Corkran, 1976, op.cit., pp.163-64.
24. See H. Corkran, ibid., 164. The US interest, in this case, is applied mostly to the Micronesian group, which after World War II was declared by the UN to be a strategic Trust Territory.
25. The Netherlands withdrew from the Commission in 1962 when it ceased to administer the former colony of Dutch New Guinea, now the province of Indonesia known as Irian Jaya.
26. Besides those five metropolitan powers, the following independent and self-governing states were admitted to membership: Western Samoa (1965), Nauru (1969), Fiji (1971), Papua New Guinea (1975), Solomon Islands and Tuvalu (1978), and Niue and Cook Islands (1980). The 23th South Pacific Conference in 1983 adopted by consensus a resolution that the Commission's 27 governments and administrations should have full and equal membership, thus admitting to the Conference: American Samoa, FSM, French Polynesia, Guam, Kiribati, Marshall Islands, New Caledonia, Northern Mariana Islands, Palau, Pitcairn Island, Tokelau, Tonga, Vanuatu and Wallis and Futuna.
The Commission's role is advisory and consultative. Its programs are closely co-ordinated with those of the countries in the Pacific for which it works. The Commission does not seek to concern itself with political issues, nor does it attempt to direct members' development programs. The Commission conducts and funds a wide range of projects in the Pacific countries in which it operates. These cover such fields as regional health and sanitation, home education, agricultural development, the environment and fisheries.

The main decision-making body of the SPC is the South Pacific Conference, an annual meeting at which representatives of independent and dependent countries and territories consider decisions on the SPC's work program and other regional matters. The South Pacific Conference examines and adopts the Commission's work program and budget for the coming year, and discusses any matters within the Commission's competence.

After the establishment of the South Pacific Forum, which concentrated firstly on political matters but then also economics, justification for the SPC's existence become questionable. Many critics worry that the SPC will be diminished as the SPF, from year to year, becomes involved in matters formerly covered by the SPC. Such criticism has affected the idea of a single regional organisation (for details, see the next discussion).

2.2. Pacific Islands Producers' Association (PIPA)

Until the late 1960s, the SPC was very much dominated by the metropolitan governments, engendered limited economic cooperation and did not deal with political issues. Coinciding with the phase of decolonisation which started in 1962, the Pacific Islanders felt the need for a forum in which they could discuss political issues. They expressed their dissatisfaction by creating new regional institutions of their own in which they could assert control over key economic issues as well as political events pertinent to Island interests. The first regional institution they created was the Pacific Islands Producers' Association (PIPA). The initial motive for its establishment was from the banana-exporting countries of Fiji, Tonga, and Western Samoa wanting to negotiate better terms with New Zealand (the product later widened to include other rural commodities, especially copra, and matters related to reducing production and transportation costs). When founded in 1965 it had only three members and these increased to six in 1973 (the Cook Islands and Niue joined in 1968, and the Gilbert and Ellice Islands in 1971 - the latter subsequently
became the separate states of Kiribati and Tuvalu respectively).  

Apart from that motive, there was another important factor which underlay its establishment. That was the move by the Islands leaders to assert control in the SPC framework. In the 1965 SPC Conference in Lae, PNG, they launched a joint action (Ratu Mara called it a rebellion) against the colonial powers. The establishment of PIPA, according to Fry, 'was important because this was the first expression of regional cooperation moving away from the established organisational framework, the SPC, which was identified as serving colonial interests'.

PIPA did not last long. This was not because of its ineffectiveness in carrying out its programs, but because there was by then another indigenous regional organisation with broader functions and wider membership, the South Pacific Bureau for Economic Cooperation (SPEC). PIPA was terminated in 1973 when at the Eighth Session it was agreed that 'logically the functions of PIPA should be absorbed by SPEC' and in its final conference held in Rarotonga in 1974, a formal resolution terminating its constitution was adopted.

The Island leaders gained some experience in indigenous regional cooperation first from PIPA, particularly in relation to indigenous moves to take control of regional structures. It was apparent later that this experience had encouraged the Islanders to establish the next bigger and more important organisation of their own, the South Pacific Forum (SPF).

2.3. The University of the South Pacific (USP)

Although the University of the South Pacific has never been under the immediate direction of the South Pacific Forum, it has had close association with it. The Pacific states represented on the University Council are all Forum members. In the last six years, the Forum Secretariat's

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29. There was no evidence of its ineffectiveness. Even during the last two or three years of its operation, it was of increasing importance for its members. In 1970 it adopted a constitution that came into force in 1971.

30. Fry, *op.cit.*, pp.100-104.
Secretary General has also been chairman of the University Council. The Vice-Chancellor of the USP has reported to the annual Forum meeting. The main objective of giving such a report is to attract the attention of Island leaders to current education issues. The USP Vice Chancellor, Geoffrey K. Caston, said:

There is no formal arrangement whether the USP should report to the Forum. The terms of reference of the Forum did not mention this arrangement. But I see that this is the best chance to report, because [the level of] the Forum meeting was at the highest level - heads of government. So I can attract some important education issues to the meetings every year.

The inclusion of the USP in this discussion is also to show that prior to the formation of SPF, the USP has been regarded, although not an indigenous initiative, as a regional institution, later to be controlled and supported by the independent Pacific Island states. It is a regional asset which has great potential for the integration of the South Pacific, and ‘represents one of the significant attempts in the world to make regionalism work’.

The USP was set up to meet the need for higher education for all Pacific Islanders. Prior to the USP establishment, the University of Papua New Guinea, which serves PNG, and to a lesser extent nearby countries, had been formed. Its preliminary year was in 1966. The creation of the USP as a regional university was complementary to what happened in the South Pacific region in the 1960s. This was a significant period in which the South Pacific countries were in the initial process of decolonisation, and these developments created further need for skilled personnel to run their own countries.

The University was established at Laucala Bay, Suva, on the site vacated by the Royal New Zealand Air Force. Its Royal Charter was formally granted by the Queen on 10 February 1970. The United Kingdom agreed to provide up to £1,250,000 towards capital and recurrent costs for the first five years of operation. The New Zealand Government transferred buildings at Laucala Bay to the USP.

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31. Henry Naisali who was appointed twice as Secretary General was the chairman of the Council. When his term ended, Jeremia Tabai, the former President of Kiribati, replaced Naisali. Tabai was then appointed Secretary General of the Forum Secretariat.

32. Interview with Geoffrey K. Caston, the USP’s Vice-Chancellor, Suva, 2 September 1991.


35. U.F. Neemia, ibid., p.38.
The University opened in February 1968 to offer preliminary courses. These courses were needed by many students in order to be able to embark upon degree courses equal to those offered in other universities. In 1969, degree courses and secondary teacher training were offered, and its first students graduated in 1971. As at April 1990 the University offered courses to about 15,363 students, 2689 of whom were internal and studied on the main campus in Suva. The University has seven institutes (Education, Marine Resources, Natural Resources, Research and Training in Agriculture, Rural Development, Social and Administrative Studies, Pacific Studies, and the Atoll Research and Development Unit). The University also offers in-service short courses in a number of fields both on and off campus. To achieve its main objective as a regional university, extension services which operate as a semi-autonomous unit within the University, established centres in ten Island countries, including Fiji. For educational purposes especially for supporting extension teaching, the University made use of the United States Application Technology Satellite (ATS-1) from 1972-1985, and since then the University has been using INTELSAT, in association with regional organisations, telecommunication departments and aid donors.

The University’s activities are funded largely by member countries (70% by Fiji, 20% by other members). Its total budget in 1990 was about F$ 15 million. Island Governments represented on the Council contribute an amount based on the number of students that they have attending the University. The remaining 10% is funded by a variety of donors (New Zealand, the United Kingdom, EC, Japan, USA and Australia). Australia and New Zealand together provide the bulk of total donor contributions.

3. The South Pacific Forum and Organisational Matters

The creation of the South Pacific Forum in 1971 was the third indigenous action undertaken to gain control of regional decision-making. Its emergence has been regarded as a symbol of their disappointment toward the no-politics rule of the SPC, so its existence was expected to provide an arena for discussing matters of concern, particularly political issues.

The annual Forum meeting takes place at a head of government level and special


37. Because the bulk of the students are Fijian, the Fiji Government provides the major portion of the contributions from indigenous sources.

38. See Joint Committee on Foreign Affairs, Defence and Trade, Australia's Relation with the South Pacific, 1989, p. 254.
sessions have also been convened from time to time to deal with specific matters. Meetings are informal and self-regulating. There is no formal charter or rules to guide proceedings. It is a unique institution in which heads of governments meet frequently to discuss their common major concerns frankly and at length. Decisions are made based on their ‘Pacific Way’ principle, in which consensus and harmony are the most important elements.

The establishment of the SPF has been seen as a reaction by the Island leaders who had failed to introduce political issues within the SPC framework. Their frustration had convinced them that in fact they needed another forum. As Ratu Mara said at the Lae Conference in 1965 ‘there must be another organisation to fill the gaps left in the Commission’s framework’. 39 Mara’s strong reaction against the metropolitan powers’ domination was expressed on many occasions. Explaining the origin of the Forum, Mara said in 1974:

We were sick of having little to say and no authority. Regardless of what we said or did the final decision was always in the hands of the metropolitan powers. It was they who had instituted the commission with the very worthy object of fostering the social and economic welfare of the peoples of the South Pacific but their mistake was that they continued to look at the position through their eyes instead of through the eyes of the people they wanted to help.40

Initial discussions to realize a solution were held by the leaders of the independent Island states (Fiji, Nauru, Tonga, Western Samoa, and the Cook Islands), and those approaching independence, in ‘out of conference meetings during the South Pacific Conferences of 1967, 1968 and 1969’. 41 In October 1970, during Fiji’s independence celebration, they had further informal talk. At that meeting the Island leaders discussed the possible inclusion of Australia and New Zealand in their next meeting. A similar move was raised by Island leaders at the Commonwealth Prime Ministers’ Conference held in Singapore in January 1971. At the Conference the Prime Ministers of Western Samoa, Fiji and Tonga attempted to get support for their protest against French nuclear tests. 42 William D. Forsyth, the SPC’s first Secretary General, argues that ‘the slightly dusty answer they got almost certainly strengthened their feeling that it might be time to think about some platform of their own, additional to the


41. Ibid., p.26; see also Ratu Mara, The South Pacific Forum, Address delivered at the University of the South Pacific, Suva, 25 August 1972, p. 5; and G.E. Fry, 1979, op.cit., p. 106.

42. Fry, op.cit., p.106.
Commonwealth and the SPC'. This argument was supported by the Prime Minister of Western Samoa, Tamasese Lealofi IV, who later invited other Island leaders to a meeting to discuss their major concerns.

At the Sixth PIPA meeting at Nuku'alofa, Tonga in April 1971, they discussed the plan further. Ratu Mara then approached the New Zealand Prime Minister to see about the possibility of hosting the first meeting. They got a positive response in May 1971 from the New Zealand Prime Minister, Sir Keith Holyoake. Coincidently, New Zealand was celebrating 1971 as South Pacific Year, thus to host the first SPF meeting, according to Holyoake, was regarded as most appropriate. More interestingly, prior to the first Forum meeting, the New Zealand Minister for Island Affairs, Duncan MacIntyre, on 10 December 1970, supported the proposal to establish the Forum. MacIntyre said: 'what many Islanders want, and what we should encourage, is a political forum where Island countries can meet on equal terms with Australia and New Zealand. ...We in New Zealand would be happy to join the Island leaders in such a venture [Forum]'.

The New Zealand government was very careful in considering the Islands' proposal to host the first meeting. The government was afraid of being accused of having an anti-France bias, as the new Forum consisted of British Commonwealth states. New Zealand did not want France misunderstanding the Forum and thus disrupting special consideration of New Zealand's dairy products in the European Common market, which the United Kingdom was preparing to enter. Australia, on the other hand, was reserved in its response. Australia misinterpreted the political importance of the conference and argued that it was better to improve the SPC rather than attempt to create a new regional organisation. It was not until 1974 after the coming to power of the Labor Party under Gough Whitlam that Australian support for the Forum was clearly evident. As a result of this conception Australia's Prime Minister, William McMahon, did not

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44. Ibid.

45. Even though the leaders of all five independent countries were involved with the establishment of the Forum, some played a more significant role than others. Albert Henry of the Cook Islands, Ratu Mara of Fiji and Tamasese of Western Samoa were particularly active. This argument is explored in detail in G.E. Fry, 1979, op.cit., pp. 108-09.

46. Address by the Minister of Island Affairs, at a meeting convened in Wellington by the New Zealand Institute of International Affairs to inaugurate South Pacific Year, the text was reproduced in *External Affairs Review*, Vol.XXI No.11, November 1971, pp.19-25.


attend the first meeting and instead sent the Minister for External Territories, Charles E. Barnes.

The reason why New Zealand was asked to call the first meeting was to avoid an impression that the new Island-sponsored organisation would be dominated by certain Island states, particularly Fiji. Harmony and cooperation were more easily attainable if the invitation came from an older and bigger country. There were at least three reasons for involving Australia and New Zealand. The first reason was the Island leaders' awareness, particularly Mara's, of their economic condition. They expected that the two more advanced countries would provide financial assistance, expertise, information and other material and non-material resources which were certainly needed. Mara put it this way, 'New Zealand is a country close at hand with a higher standard of development, but with the same objectives the Island territories had in mind'. 50 Ratu Mara further explained in 1974:

We realise in all humility that we cannot pursue the purpose of our leadership through our own cultures alone. So, in seeking help and guidance, we look to our neighbours who have achieved the standard to which our own people aspire. I said that we hoped to learn during the conference from the problems of the people of New Zealand and Australia, how they have faced them and overcome them in achieving their progress, for these are the very problems we were meeting or were likely soon to experience. 51

Secondly, the Island leaders, more particularly Ratu Mara, wanted to avoid any racial friction between the Islanders and their former colonists after attaining independence - as happened in Africa. In his address explaining the origin of the Forum, Mara stated:

We thought that without the inclusion of Australia and New Zealand the Forum might tend to develop along the lines of the Organisation of African States. It has in fact developed along the lines we wished to see - a lively, vocal, frank but friendly body, taking a broad view of the problems of the South Pacific countries and discussing them in the way I have long advocated - the Pacific way. 52

And thirdly, the Island countries expected that the inclusion of both countries would generate greater diplomatic strength in regional and international fora. Without this, the newly Island-controlled organisation would be downgraded in these fora and might be regarded as association of the weak.

The Island leaders' dreams to create their own regional organisation finally came true, when in August 1971 the first South Pacific Forum was held at the Parliament Building in Wellington,

50. See Fiji Times, 24 April 1971.


52. Address by Ratu Sir Kamisese Mara at the University of the South Pacific on 25 August 1972, the text can be found in New Zealand Foreign Affairs Review, May 1974, p.27.
New Zealand, 5-7 August 1971. The meeting was conducted in private session, and attended by all five independent Island states (Prime Ministers of Tonga, Prince Tu'ipelehake; of Western Samoa, Tupua Tamasese Lealofi IV; of Fiji, Ratu Sir Kamisese Mara; the Premier of the Cook Islands, Sir Albert Henry; and the President of Nauru, Hammer deRoburt), and the Prime Minister of New Zealand, Sir Keith Holyoake and the Australian Minister for External Territories, Charles E. Barnes. According to Holyoake, 'the purpose of the gathering is to have private and informal discussion of a wide range of common problems and interests. I do not expect any dramatic decisions or spectacular initiatives'.

At the conclusion of their meeting the participants issued a communique saying that there had been discussion of a wide range of matters directly affecting the daily lives of the peoples of the Islands states, and that particular attention had been devoted to trade, shipping, tourism, and education. The communique also revealed that the meetings were to be continued on an annual basis at the heads of government level.

Since then pre-Forum and post-Forum decisions are customarily handled by the Committee of Officials which represents all members and meets before and after each Forum. The Committee functions as a board of directors of the Secretariat, which is the Forum's administrative body (see Table 3 for listing of the Forum meetings between 1971-1991). Membership of the Forum was open to all independent or self-governing Pacific Island countries and those which had a fixed time table towards independence. Territories with a fixed time table and an interest in becoming members were invited to become observers at Forum meetings. The Cook Islands was a founding member that was not fully independent. Its free-association relationship with New Zealand became the precedent extending membership criteria of the Forum. Countries such as Niue, the Federated States of Micronesia and the Marshall Islands gained independence in free-association with their former metropolitan powers, and became members of the Forum in later years. In one decade the Forum's members had more than doubled, and by 1991 the Forum had fifteen members, still including Australia and New Zealand (see Map 3).

53. Address by the New Zealand Prime Minister at a Parliamentary Luncheon, 6 August 1971, reported in External Affairs Review, Vol.XXI No.8 August 1971, p.3.

54. Other areas addressed in the first Communique were civil aviation, foreign investment, law of the sea, development of oceanic resources, telecommunications, national parks, regional disaster fund, and joint diplomatic representation.

Table 3

<table>
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<td>1978</td>
<td>9th SPF</td>
<td>Alofi, Niue</td>
</tr>
<tr>
<td>9-10 July</td>
<td>1979</td>
<td>10th SPF</td>
<td>Honiara, Solomon Islands</td>
</tr>
<tr>
<td>14-15 July</td>
<td>1980</td>
<td>11th SPF</td>
<td>Tarawa, Kiribati</td>
</tr>
<tr>
<td></td>
<td>1980</td>
<td>Mini Forum</td>
<td>New Delhi, India</td>
</tr>
<tr>
<td>10-11 August</td>
<td>1981</td>
<td>12th SPF</td>
<td>Port Vila, Vanuatu</td>
</tr>
<tr>
<td>9-10 August</td>
<td>1982</td>
<td>13th SPF</td>
<td>Rotorua, New Zealand</td>
</tr>
<tr>
<td>29-30 August</td>
<td>1983</td>
<td>14th SPF</td>
<td>Canberra, Australia</td>
</tr>
<tr>
<td>27-28 August</td>
<td>1984</td>
<td>15th SPF</td>
<td>Funafuti, Tuvalu</td>
</tr>
<tr>
<td>5-6 August</td>
<td>1985</td>
<td>16th SPF</td>
<td>Rarotonga, Cook Islands</td>
</tr>
<tr>
<td>8-11 August</td>
<td>1986</td>
<td>17th SPF</td>
<td>Suva, Fiji</td>
</tr>
<tr>
<td>29-30 May</td>
<td>1987</td>
<td>18th SPF</td>
<td>Apia, Western Samoa</td>
</tr>
<tr>
<td>20-21 September</td>
<td>1988</td>
<td>19th SPF</td>
<td>Nuku'alofa, Tonga</td>
</tr>
<tr>
<td>10-11 July</td>
<td>1989</td>
<td>20th SPF</td>
<td>Tarawa, Kiribati</td>
</tr>
<tr>
<td>31 July-1 August</td>
<td>1990</td>
<td>21st SPF</td>
<td>Port Vila, Vanuatu</td>
</tr>
<tr>
<td>29-30 July</td>
<td>1991</td>
<td>22nd SPF</td>
<td>Palikir, Pohnpei, FSM</td>
</tr>
</tbody>
</table>

Although the prime objective in establishing the Forum was to create an arena for political discussion, from the communique we can see that economic issues dominated political. Only three months after the first meeting senior trade officials were assigned to study and make a ‘recommendation about the possibility of establishing an economic union for the area’. The only political matter raised during the first meeting was the French nuclear tests. Thus, the first Forum communique suggests that its establishment was, in fact, not only politically motivated, but also economic. The Island leaders had achieved beyond their expectations.

3.1. SPEC/ The Forum Secretariat

As economic issues have been major topics on the agenda to be discussed every year, it can be assumed that the Pacific leaders aimed to obtain improved economic conditions through the Forum. Their first ambition was to get better access to New Zealand and Australian markets. Apart from that, they also wanted greater trade cooperation among the member countries - as we will see in the initial functions of SPEC.

The second Forum meeting took place in Canberra in 1972. As host, the Australian delegation had the first chance to speak. Australia was represented by its Deputy Prime Minister and Minister for Trade and Industry, Doug Anthony. Anthony stated that trade patterns in the South Pacific region would be affected by the enlarged European Community. He also reported that he had received a valuable report produced by the meeting of senior trade officials in Wellington in November 1971 at the request of the first Forum meeting. Based on those facts, Anthony made four proposals (for details see Chapter VI, Section 2) and one of them was to form a secretariat to carry forward work in trade. He said that it was Australia’s desire to see the strengthening of trade and economic cooperation between Australia and the other countries in the region.

In Australia’s view, it was important to establish permanent machinery which could advance matters such as the free trade proposal. It was hoped that a Secretariat, which was later called the South Pacific Bureau for Economic Cooperation (SPEC) and then renamed in 1988

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56. See Forum Communique, 1971, p.2. Further evidence on this can be seen when the second Forum meeting considered the need to establish a Bureau later called the South Pacific Bureau for Economic Cooperation.

57. This section is closely related to the discussion in chapter VI point 2: ‘Looking for a Suitable Mechanism’.

the 'Forum Secretariat', would have an important role to play in coordinating development planning in the region. The secretariat, which had never been discussed before the Forum was created, might be asked to study policies and plans of member countries in various sectors, identify areas where greater coordination might be useful, and bring these to the attention of members. The communique of the second Forum meeting in Canberra stated:

The fundamental purpose of the Bureau would be to ensure that the process of consultation on trade and related matters among Members of the South Pacific Forum is on a continuing basis and that projects considered useful from a regional viewpoint can be swiftly implemented.59

Indeed, the Island leaders' seriousness had been demonstrated when the first Forum meeting took place. They spelled out the need for further meetings of senior trade officials to find ways of promoting trade. The first Forum communique stated:

'the Forum also directed that officials' meeting should investigate existing regulations that might be regarded as unnecessary barriers to inter-island trade, and examine the feasibility of establishing a bulk ordering scheme'.60

The trade officials - later called the Committee on South Pacific Trade - met in Wellington in November 1971. The major recommendation made by the meeting concerned the possibility of establishing a South Pacific trade area and the desirability of setting up a small permanent secretariat to carry out a number of specific tasks aimed at furthering trade and economic cooperation among the FICs. The first recommendation to establish a free trade area received attention, but was not seriously pursued because the Forum leaders realised that their interests would be better served through other means. The Island leaders at that time preferred addressing ways to get market access from Australia and New Zealand.

The establishment of SPEC was agreed to by heads of government in 1972 at the Canberra meeting. To design a more practical SPEC, the Forum leaders held the third Forum meeting in Suva, Fiji in November the same year. At that meeting the draft Agreement establishing the Bureau was discussed in depth. And at the fourth Forum meeting in Apia, Western Samoa in 1973, the Agreement was formally signed by the Island and metropolitan leaders (of Australia, the Cook Islands, Fiji, Nauru, New Zealand, Tonga, and Western Samoa). The Agreement stated clearly that the main purpose of the Bureau's establishment was 'to facilitate continuing cooperation and consultation between members on trade, economic


development, transport, tourism and other related matters'. At that time some progress in the operation of SPEC was also made. New Zealand was quite happy to assist by financing the design and construction costs of the proposed headquarters building, about NZ$500,000, and Australia furnished it. More than that, Australia and New Zealand each agreed to pay a third of the total initial budget of NZ$90,000. The remaining countries shared the other third which meant that each paid one-fifteenth of the total budget. This commitment indicated that Australia and New Zealand had some self-interest in setting up the secretariat. Both countries were fully aware that their trade balances with the Forum members were in their favour. Therefore, Australia and New Zealand believed that their assistance to SPEC would in the future benefit themselves. As Muldoon said at the opening of the new SPEC headquarters on 11 October 1976:

The trade balance with the Islands is substantially in our favour, but we take no satisfaction from this. If ways can be found to make it easier for your products to enter New Zealand, it will be done. This is a thorny problem for us, in that it has implications for our wider trading relationships. We know however that it is a critical issue for a number of island economies. It is receiving urgent attention. SPEC can be regarded as a new venture in economic cooperation in the South Pacific, both in terms of its membership and in terms of its overall objective of modifying existing patterns of trade and stimulating economic development in the region.

Though the Island leaders’ expectation when establishing the bureau was clear they were confused on how the bureau would operate in the long term and what influence it would eventually have on the economic development of the region. The establishment of SPEC, however, can be seen as representing a bold and imaginative approach to the region’s economic needs. It had the wholehearted and enthusiastic support of all Forum members, and it was expected that its establishment would make a significant contribution to the evolution of new patterns of trade and economic cooperation in the region.

SPEC’s headquarters is in Suva and Mahe Tupouniua, Minister of Finance and Acting
Prime Minister of Tonga, was appointed as its first Director, and Ken W. Piddington, formerly Head of the Economic Division of the New Zealand Ministry of Foreign Affairs, was the first Deputy Director. They took up their posts in November 1972 and were assisted by five professional and some administrative staff. In the next Forum meeting in 1974, however, the New Zealand Prime Minister, Sir Norman Kirk, indicated that his government could not continue to provide a new deputy director, instead he could send someone suitable for another position. The Prime Minister said:

New Zealand did not wish to appear in a dominating role in the Pacific and I was sure of the value and worth of appointing both the director and the deputy director from the islands as soon as possible.

Australia had a similar attitude. For example, when an Australian delegate carefully pointed out that if there was difficulty in appointing a deputy director, it would be ready to provide someone for the post but only 'if this was wanted' by the Island leaders. They expected that the Bureau would deal with trade and related matters among the Forum members on a continuing basis.

It was agreed at the fifth Forum meeting in Tonga in 1975 that SPEC would carry out the secretarial functions for Forum meetings, thus welding it more closely to the Forum. Therefore, SPEC was no longer seen as a separate body from the Forum itself. If discussed in isolation, it was SPEC/ the Forum Secretariat which could be regarded as an organisation. The Forum itself was not a regional or inter-governmental organisation, though many people regarded it as such. The Forum only met two of the three criteria suggested by international law (see Introduction). It was SPEC which has an agreement for its establishment and not the Forum itself. This is not to suggest, of course, that the Forum lacks legitimacy or status. The following chapters will prove that, with the recent status, it has abundant success which strengthens its de facto foundations for existence.

By 1991 the Secretariat maintained a staff of nearly seventy at its modern headquarters in Suva which were officially opened on 22 May 1989. This new two storey office block was funded by the Australian government and furnished by the New Zealand government. Professional staff were recruited principally from Forum countries and supplemented from time to time by consultants when expertise was needed to handle specialised programmes or projects. Support staff are recruited from Fiji to provide a full range of administrative, financial and back-up services.

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46. Summary Record of the Fifth SPF Meeting, Rarotonga, 1974, p.25.
At the beginning the Bureau's structure was very simple. It consisted of an executive board, the South Pacific Committee for Economic Cooperation, and a secretariat. Each member state was represented at the Committee by officials. They met at least once a year. It had functions of approving the annual budgets and then reporting to the member governments. Apart from those functions, it also appointed the Director and the Deputy Director of SPEC, determined 'staff and salary guidelines, and giving general directions to the Bureau'. Now the Committee meets at least twice a year, the first is held immediately prior to the Forum meeting itself and the second is usually held late in the year to review the implementation of the programmes. Apart from that, there are also other meetings of officials to discuss specific issues such as trade, transport, communication and so on.

It was agreed, from the beginning, that SPEC's membership was not only for Forum member countries, but also open to any other countries or territories in the region regardless of whether they contributed financially or not. The Forum decided further, however, that those countries and territories intending to be members of the Bureau had to apply for membership and they were subject to approval by the Forum leaders.

Under the terms of the SPEC Agreement the Secretariat had a mandate to:

- identify opportunities for the modification of trade patterns, bearing in mind the objectives of regional trade expansion;
- investigate ways in which industrial and other development could be rationalised using the concept of regional enterprise;
- look at the scope of free trade among the island member countries;
- establish advisory services on sources of technical assistance, aid and investment finance;
- help coordinate action on regional transport.

An assessment of whether or not SPEC carried out its mandate can be seen in the following chapters which discuss major political and economic issues. The expansion of its roles may also be seen clearly.

As more countries achieved independence and joined the Forum, so the demands on

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67. As quoted in Fry, 1979, op.cit., p 111. See also articles 2 and V of the Agreement Establishing the SPEC, as appears in Appendix C.1.

68. For details see third Forum Final Communique, September 1972 and J. Carter, 1972, op.cit., p.20.

69. The Secretariat, published by the Forum Secretariat, Suva, 1989, p. 5. For further details see also article VII of the Agreement.

70. Other areas which are not discussed in detail in this thesis include: telecommunications, tourism, energy and the law of the sea. These areas were not major subjects of discussion by the Forum leaders, and therefore, SPEC involvement was minor, except the law of the sea which was examined in depth by the Island states before establishing FFA.
secretarial services broadened, reaching beyond the existing parameters of SPEC under its initial articles of association. In response, the original mandate was broadened to include new functions. In 1975 SPEC was given the added responsibility of providing secretariat functions for the Forum.

In response to the Forum decision taken in 1988 a corporate plan for the organisation was developed. This recommended a new management structure in keeping with the increased requirements of the organisation. The Secretariat's responsibilities were extended beyond its original mandate, placing greater emphasis on activities undertaken through the Secretariat's work programmes and coordinating development assistance. As a result, SPEC has experienced substantial development in the structure and emphasis of the Forum's secretarial arms. SPEC changed its name to the 'Forum Secretariat' to reflect more accurately its role and responsibilities and to assist in projecting the work of the organisation to countries and organisations outside the South Pacific region. Its Director's designation changed to Secretary General and the title Deputy Director became Director. The Secretary General was now assisted by two Directors; Director of Services and Director of Programmes. Another change took place in 1991. The original SPEC Agreement was updated and renamed the Forum Secretariat Agreement. The declared purpose of the Secretariat was 'to facilitate, develop and maintain cooperation and consultation between member governments on economic development, trade, transport, tourism, energy, telecommunications, legal, political, security and such other matters as the Forum may direct'. The two Directors' designation became Deputy Secretary General.

The increasing economic expectations of the Forum members then became evident. In the new structure, the Secretariat's economic role was enhanced by the formation of an Economic Services Division, and a Regional Petroleum Unit was established to work alongside the Energy Division. Aviation and maritime transport matters received greater emphasis. The Telecommunications Division was also reorganised and brought directly under Secretariat management. Apart from strengthening economic functions, political and legal matters were emphasized, but these were still of minor importance compared to economic issues. More changes in the organisational structure took place in the next years (for comparison of functions in the old and new structure of the Secretariat, see Appendix B).

This new structure clearly supports the argument that economic motives dominated the forms of cooperation in Forum networks. Also the restructuring of the organisation denotes that

due to the increasing Forum membership and more complicated projects plus the recent situation generally, the Pacific Islanders had raised their expectations.

Before discussing major issues that the Forum has tackled in the past twenty years it is also worth examining the Forum's success in organisational matters such as the development of its annual budget, personnel, and organisational structure. First, the development of the budgets: how much they increased from year to year, how much Forum members and other sources contributed annually and how they spent them. The Secretariat from 1984 has had two types of budgets: regular and extra budgets. The regular budget derives from members' contributions, of which Australia and New Zealand alone pay two-thirds and the remaining third is provided by the Island members in accordance with the agreed formula (an example of the agreed formula in 1991 can be found in Appendix C.2). The extra budget which is more than triple the regular one derives from countries and organisations or agencies mostly from outside the region. Apart from providing two thirds of the regular budget, Australia and New Zealand also contributed to the extra budget. Table 4 and Chart 1 show the increase of the Secretariat regular and extra budget from year to year. This is enough evidence to suggest how the Forum, through its Secretariat, has developed successfully into a regional organisation comparable with those in other parts of the world. The increased extra budget, both the amount and the number of donors (see Table 5 for listing of the SPF's donor countries and agencies and major projects being funded), suggests that this organisation's continued existence is unquestioned. The Forum Secretariat has become a channelling institution for foreign aid by countries outside the region and specialised agencies such as those belonging to the UN or other regional organisations.

A huge increase in foreign aid to the region through SPEC was not unplanned. From the start, the leaders were aware of the need to attract aid from donor countries and organisations. SPEC was required to establish an advisory service on sources of technical assistance, aid and investment finance. An Aid Directory was then produced by SPEC in 1974. In 1976 the Forum received the report of a seven-member task force appointed to review aid to the region. One of the recommendations was that 'there should be a single regional organisation for aid consultations and related planning and development services'. The Forum, however, agreed that member governments should analyse the report in detail and transmit their comments to SPEC. A meeting at official level was convened by SPEC in November 1976 to discuss the submissions from member governments.

## Table 4


<table>
<thead>
<tr>
<th>Year</th>
<th>Regular Budget *)</th>
<th>Extra-Budget #)</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Increase</td>
<td>Total</td>
</tr>
<tr>
<td>1973</td>
<td>156,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1974</td>
<td>239,988</td>
<td>53.84%</td>
<td>-</td>
</tr>
<tr>
<td>1975</td>
<td>273,988</td>
<td>14.17%</td>
<td>-</td>
</tr>
<tr>
<td>1976</td>
<td>398,469</td>
<td>45.43%</td>
<td>-</td>
</tr>
<tr>
<td>1977</td>
<td>435,027</td>
<td>9.17%</td>
<td>-</td>
</tr>
<tr>
<td>1978</td>
<td>497,600</td>
<td>14.38%</td>
<td>-</td>
</tr>
<tr>
<td>1979</td>
<td>585,446</td>
<td>17.65%</td>
<td>-</td>
</tr>
<tr>
<td>1980</td>
<td>671,779</td>
<td>14.75%</td>
<td>-</td>
</tr>
<tr>
<td>1981</td>
<td>772,655</td>
<td>15.02%</td>
<td>-</td>
</tr>
<tr>
<td>1982</td>
<td>919,905</td>
<td>19.06%</td>
<td>-</td>
</tr>
<tr>
<td>1983</td>
<td>858,508</td>
<td>-6.67%</td>
<td>-</td>
</tr>
<tr>
<td>1984</td>
<td>886,679</td>
<td>3.28%</td>
<td>2,529,000</td>
</tr>
<tr>
<td>1985</td>
<td>980,317</td>
<td>10.56%</td>
<td>2,079,000</td>
</tr>
<tr>
<td>1986</td>
<td>1,010,992</td>
<td>3.13%</td>
<td>1,913,134</td>
</tr>
<tr>
<td>1987</td>
<td>1,232,941</td>
<td>21.95%</td>
<td>1,920,885</td>
</tr>
<tr>
<td>1988</td>
<td>1,965,817</td>
<td>59.44%</td>
<td>5,317,207</td>
</tr>
<tr>
<td>1989</td>
<td>2,064,303</td>
<td>5.01%</td>
<td>4,240,712</td>
</tr>
<tr>
<td>1990</td>
<td>2,149,052</td>
<td>4.11%</td>
<td>5,156,433</td>
</tr>
<tr>
<td>1991</td>
<td>2,298,000</td>
<td>6.93%</td>
<td>7,369,000</td>
</tr>
</tbody>
</table>

**Sources:**


**Notes:**

* Regular Budget derives from member governments’ contribution and other sources such as Bank interests, and reserve fund.

# Extra Budget derives from donor countries and regional organisations/ agencies.

- The extra budget was not specified before 1984, though some countries such as Australia and New Zealand contributed funds other than the annual member contribution.
Table 5


<table>
<thead>
<tr>
<th>Donors</th>
<th>Years of Involvement</th>
<th>Major Funded Projects/ Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Countries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Australia</td>
<td>1971-now</td>
<td>construction of the Secretariat’s headquarters; trade commission; training, institutional support</td>
</tr>
<tr>
<td>2. Canada</td>
<td>1985-91</td>
<td>maritime; civil aviation; trade; human resources development; and workshop</td>
</tr>
<tr>
<td>3. France</td>
<td>1990-now</td>
<td>energy, training, trade and investment</td>
</tr>
<tr>
<td>4. Germany</td>
<td>1989-91</td>
<td>telecommunication and energy programme</td>
</tr>
<tr>
<td>5. Japan</td>
<td>1987-91</td>
<td>energy; training; small scale industries development; maritime; and telecommunication</td>
</tr>
<tr>
<td>6. New Zealand</td>
<td>1971-now</td>
<td>furnished the Secretariat; trade office; training, institutional support</td>
</tr>
<tr>
<td>7. Norway</td>
<td>1985-90</td>
<td>maritime development programme; water supply project</td>
</tr>
<tr>
<td>8. United Kingdom</td>
<td>1988-91</td>
<td>funded one post in the Secretariat</td>
</tr>
<tr>
<td>9. USA</td>
<td>1985-91</td>
<td>funded one economic post; studies on monetary and trade; private sector; investment</td>
</tr>
<tr>
<td>B. Reg. Organisations/ Agencies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Commonwealth Secretariat</td>
<td>1981-now</td>
<td>training and fellowship scheme; consultancy; funded some posts.</td>
</tr>
<tr>
<td>2. European Community</td>
<td>1981-now</td>
<td>energy; telecommunication; maritime transport; agriculture; rural development, &amp; other assistance</td>
</tr>
<tr>
<td>3. ESCAP</td>
<td>1981-91</td>
<td>short term advisory services scheme; maritime programme; energy</td>
</tr>
<tr>
<td>4. UNDP</td>
<td>1981-91</td>
<td>Pacific energy development programme; civil aviation and telecommunication; training</td>
</tr>
<tr>
<td>5. World Bank</td>
<td>1986-1991</td>
<td>private sector development; and training; petroleum; telecommunications; shipping</td>
</tr>
</tbody>
</table>

Sources:
The conclusions of the meeting were disappointing, they favoured temporary shelving of the exercise. In addition, there was a more important decision which made the Forum successful in attracting aid. That was the Forum decision in its third annual meeting in Apia in 1973 which designated 'the Director [of SPEC] as the competent authority to negotiate with these bodies on all phases of such projects... [which] involve technical and financial assistance, ...'. This decision became the basis for many of SPEC's negotiations with donor agencies.

The increase in both the regular and extra-budget can be regarded as an achievement of the Forum for at least two reasons. First, this means that the Forum had the capability to attract more foreign aid to the region. The Forum was clearly regarded by donor countries as a reliable organisation through which to channel foreign aid. Secondly, the budget increase also reflects the increase in cooperation and the greater number of projects being tackled. The later also shows that the Islands' expectations were increasing - they built upon previous successes.

The budget increases can also be seen from other perspectives. The Forum is becoming more financially dependent on donor countries. And consequently, negative impacts could not be avoided. When there was a chance - and they perceived that it was in their interests to do so - the donor countries such as Australia and New Zealand could exert dominant roles in the Forum.

Secondly, the numbers and qualifications of personnel working in the Secretariat and in the Forum's offshoots have increased, as functions have increased. Table 6 summarises the growth in employees, their origin, and their professional levels. The figures indicate that in terms of numbers and qualification they have been significantly increasing. This is an indication too that the Secretariat has developed as quickly as expected by the Forum member governments.

If the initial expectation of the Island leaders to establish the Forum was to create an Islanders-managed/controlled organisation, then from the beginning this was met. The highest post (that of director or secretary general now) in the SPEC/Secretariat has always been held by Islanders. Unfortunately, the second rank positions which have an influential role in recommending policy issues, were mostly in the hands of non-Islanders (Australians and New

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74. Mahe Tupuoniua was appointed as the SPEC's Director three times: 1972-1975 and 1975-1980. The third Director was Dr. Gabriel B. Gris of PNG (1980-1982). Dr. Gris died in March 1982 and his Deputy, John P. Sheppard of New Zealand, was appointed as Director ad interim. At the 1982 Forum meeting, Mahe Tupuoniua was appointed again as the fourth Director till 1985. The fifth Director was Henry F. Naisali of Tuvalu from 1985. He was reappointed in 1989. The seventh Director, Ieremia Tabai of Kiribati, was appointed by the Forum leaders in the 1991 Forum meeting and took office in 1992.
Table 6
(Their Nationality, Levels, and Totals)

<table>
<thead>
<tr>
<th>Year</th>
<th>Level</th>
<th>Pacific Islanders</th>
<th>Australians+New Zealanders</th>
<th>Other Nationals#</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Low</td>
<td>Med.</td>
<td>High</td>
<td>Total</td>
</tr>
<tr>
<td>1973</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>1974</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>1975</td>
<td>2</td>
<td>5</td>
<td>1</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>1976</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>1977</td>
<td>9</td>
<td>4</td>
<td>1</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>1978</td>
<td>12</td>
<td>7</td>
<td>1</td>
<td>20</td>
<td>-</td>
</tr>
<tr>
<td>1979</td>
<td>13</td>
<td>8</td>
<td>1</td>
<td>22</td>
<td>-</td>
</tr>
<tr>
<td>1980</td>
<td>12</td>
<td>7</td>
<td>1</td>
<td>20</td>
<td>-</td>
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<tr>
<td>1981</td>
<td>14</td>
<td>7</td>
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<td>22</td>
<td>-</td>
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<td>1982</td>
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<td>22</td>
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<td>1984</td>
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<td>29</td>
<td>-</td>
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<td>12</td>
<td>1</td>
<td>32</td>
<td>-</td>
</tr>
<tr>
<td>1987</td>
<td>23</td>
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Source:
Collected from the Director's/Secretary General's Annual Reports, 1973-1991 (Suva: SPEC/ the Forum Secretariat.

Notes:
. High posts include: the Secretary General (SG), Deputy SG, Director or Head of Division or equivalent, and consultant.
. Medium posts include: all professional staff below the director's level.
. Low posts include: all administrative staff and below.

* In March 1982 the second SPEC Director (Dr. Gabriel B.Gris of PNG) died and his Deputy (John P Sheppard of New Zealand) was appointed as Director ad interim.
# Other Nationals were those who worked as consultants.
Chart 1: Forum Secretariat's Regular and Extra-Budget (F$'000)

Chart 2: Forum Secretariat's Personnel

Legend:
- Red: Regular Budget
- Green: Extra-Budget

Legend:
- Red: Pacific Islanders
- Green: Australians & New Zealanders
- Blue: Other Nationals
Zealanders). Islanders also held the lowest positions (administrative, clerks, and below, see Table 6 and Chart 2). Ideally the majority of the positions should be held by the Islanders. Not only because this was expected by their leaders when they created the Forum but also because among the fifteen members now, only two were and are not Islanders, though on many occasions New Zealanders have wanted to be regarded as Islanders. Another interesting point to note is the fact that one of the two second rank positions (the Deputy Directors, then the Directors, and now the Deputy Secretary Generals) has always alternated between Australian and New Zealand Foreign Affairs staff. Nobody could explain why this was so, but perhaps it was a kind of trade off against the highest post which had always been held by an Islander.

The main reason for that imbalance was clear. It was difficult to find suitable candidates to fill those very technical positions from among the Islanders, although the Secretariat has always advertised these positions publicly in various media. It was not surprising then that many Australians, New Zealanders, and other technical experts filled many important high positions in the Secretariat. Frequently many of those technical staff were paid by their home governments. Their salaries were then regarded as foreign aid, extra-budget contribution or the like. This situation has lasted for the twenty years since the establishment of SPEC. There is no reason to maintain that imbalance and the secretariat should do something to solve this problem. To give substance to an organisation labelled Island-controlled, the Forum should give preference to the Islanders. The only way to do this, is to prepare them to fill some positions currently held by non-Islanders. Additional education and training programmes for them are essential. The mechanisms for these programmes can be formulated if the Island leaders have the necessary strong resolve.

3.2. Cooperation with other Regional Organisations and Agencies

In assessing the Forum's performance, it is important to look at how it has cooperated with other regional and international organisations and agencies. The Forum's intention to cooperate with other regional organisations was signalled from the start. The Forum members have joined various regional and international organisations and agencies in order to get access to them (see Table 5). At the first Forum meeting in 1971 the Forum leaders were aware of advantages derived from cooperating with those organisations. As a first step, Forum leaders agreed to create a catalogue listing organisations/ agencies serving the region. Australia agreed to prepare the catalogue and it was distributed at the second Forum meeting in 1972. The catalogue was later presented to SPEC, the new Bureau, as a reference for those seeking
assistance for certain projects. The first to be approached was the EC. The Forum meeting in 1973 considered the question of association with the EC of Fiji, Tonga and Western Samoa under Protocol two of the Treaty of Accession with the Convention. The Forum leaders also agreed that close consultation with the EC should be conducted quickly. With the assistance given by SPEC, that consultation took place in early 1974. By 1975 progress was made. SPEC elaborated on the provisions of the ACP/EC Convention of Lomé. The Forum was advised of the trading arrangements of the Convention, under which virtually all products of the ACP states could be imported into the EC free of customs duties and quantitative restrictions. There was also an agreement among the three governments to designate the SPEC Director as regional authorising officer for regional projects funded under the Lomé Convention's aid provisions. In 1980, seven Forum members (Fiji, Kiribati, PNG, the Solomon Islands, Western Samoa, Tonga and Tuvalu) signed the Second Convention of Lomé (known as Lomé II). This arrangement has developed and now some projects are funded under Lomé III.

It was also in 1975 that SPEC started to cooperate with the SPC and the UN specialised agencies. Relations between SPEC and the SPC were discussed in the 1975 meeting, while the first UN specialised agencies to be approached were ESCAP and UNDP.

In 1977 the Forum leaders were aware of the growing importance of ASEAN as an influential organisation in the neighbouring region. The leaders agreed that informal contact on matters of common interest between the Forum and ASEAN should be initiated. In 1979 ASEAN started to explore ways to promote relations between the two organisations and this resulted in the Standing Committee's decision to establish official contact with SPEC. The Secretary General of the ASEAN Secretariat visited the Forum Secretariat in Suva for discussion on furthering relations between the two. In 1980 the Director of SPEC visited the ASEAN National Secretariats in Bangkok and Kuala Lumpur. A formal visit by the SPEC Director to the ASEAN Secretariat in Jakarta followed in 1981. The visit took place because of the Forum's direction to pursue dialogue on 'meaningful and practical areas of cooperation between ASEAN and the South Pacific Forum'. In its 1982 Ministerial Meeting, ASEAN agreed that

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75. In that year 46 African, Caribbean and Pacific (ACP) states (including Fiji, Tonga and Western Samoa) were associated with the Convention.

76. Each ASEAN Member has a Directorate General, the so-called ASEAN National Secretariat, under its Ministry of Foreign Affairs in each capital city.

various proposals be studied and plans for cooperation be drafted by the various ASEAN committees. Though several issues such as trade, shipping, fish products, energy, and investment were identified for cooperation, progress was not encouraging. There were at least two inhibiting factors. First, there was a lack of a workable institutional infrastructure. The status and authority of the ASEAN Secretariat were weaker than they were in the case of the Forum Secretariat. The second reason was the ASEAN response to the Forum’s initiative was simply not serious enough. This was certainly due to the ASEAN countries’ perception of the Island states. ASEAN saw little benefit in closer relations with the Forum compared with what the Forum could expect from ASEAN. Following this cold response, the Forum leaders discussed the matter again in 1985 and then in 1989 to find ways develop a more comprehensive relationship with ASEAN. Little progress was made in 1986. The Forum Secretariat hosted a ‘Forum on ASEAN-South Pacific Investment Promotion’. It was attended by representatives from both sides and at the end they concluded that the best prospects for future interregional investment cooperation were in marine resources, agriculture-based industries, forestry, manufacturing-marketing, tourism, and mining.78 Ratu Mara, in his last attendance at the Forum meeting in Pohnpei, FSM, in 1991, reminded the Forum of the importance of ASEAN. Mara commented that the Forum had not succeeded in having closer cooperation with ASEAN countries. He further said:

If my advice is sought by the Forum leaders for the future objectives: one is to facilitate the way they cooperate and come closer with the ASEAN countries, which are the fastest growing area in the world.79

In addition, the Forum maintained close relations with the Commonwealth Secretariat. In the next Forum meetings relations with other organisations and agencies were also seriously discussed.

The Island states’ problems with securing cheap and reliable energy sources made their leaders decide to approach OPEC (Organisation of Petroleum Exporting Countries) in 1980. SPEC proposed that a top level Forum delegation should approach the OPEC states with a view to seeking sympathetic treatment and for concessions for Forum members in the supply and pricing of petroleum products.80 The proposal was deferred for further consideration. Another organisation with which SPEC cooperated was the Pacific Islands Development Programme (PIDP), a research institution based at East-West Center, Honolulu and funded by the US Federal

78. For details see, South Pacific Bureau for Economic Cooperation, Forum on ASEAN-South Pacific Investment Promotion: Summary Record, (Suva: SPEC, 1988).


3.3. From SRO to SPOCC

In the period between 1980-1985, the Forum did not discuss its relations with other organisations. The cooperative ventures with those organisations were relatively well established, and the Island leaders shifted their attention to discuss the idea of a single regional organisation (SRO)\(^1\) which led to the agreement among leaders of all South Pacific regional organisations, Forum and non-member governments and metropolitan states, to the establishment of the 'South Pacific Organisations Coordinating Committee' (SPOCC) in 1988.

In 1983 PNG proposed the establishment of a single regional organisation for the region. The main motive behind the proposal was the fact that after the Forum and other regional organisations were set up some members felt that they overlapped, most particularly the SPC and SPEC. The SPF together with its SPEC did not deal with political issues only as expected by Island leaders before the Forum was created, but were also involved in economic development which was previously tackled by the SPC. The establishment of two major economic secretariats (SPEC and SPC), the Joint Committee on Foreign Affairs, Defence and Trade reported, 'wastes the region's limited professional and financial resources, makes unnecessary calls on aid funds and delays the preparation of cohesive regional economic policies'.\(^2\) Although PNG recommended the amalgamation of both organisations, some Papua New Guineans still wanted the continuation of the SPC.\(^3\) After consideration, the Forum leaders decided to appoint a Committee of Ministers of Foreign Affairs from four countries to:

a) consider the political, legal constitutional and financial implications of a Single Regional Organisation;

b) undertake consultations with the Governments of France, USA, and the United Kingdom, as well as those Island territories not members of the Forum and SPEC, to inform them of the Forum's views and to ascertain from them their views on their participation in a Single Regional Organisation; and

c) recommend to the fifteenth South Pacific Forum a set of proposals on the Single Regional Organisation based on the foregoing.\(^4\)

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\(^1\) For details of pros and cons of the idea of SRO, including the other alternative, see R.A. Herr, 1984, 'SRO or SRS: ...', op.cit.

\(^2\) Joint Committee on Foreign Affairs, Defence and Trade, 1989, op.cit., pp.199-200.


In March 1984 the Committee met in Port Moresby to discuss the issue. The Forum meeting later in the same year received the Committee’s interim report and since then the report was considered by the leaders annually until 1988. In 1988 the Committee recommended a number of moves to integrate more closely the various regional bodies through the newly created SPOCC, strengthen the role of SPEC, and expand its mandate to include and to institute arrangements whereby non-Forum territories can have observer status at the SPF.

The first meeting of SPOCC was held in March 1989. Attending the SPOCC meeting were leaders of regional organisations: SPC, Forum Secretariat, FFA, CCOP/ SOPAC (Committee for the Coordination of Joint Prospecting for Mineral Resources in South Pacific Offshore Areas), PIDP, USP, and SPREP. The Venue for the annual meeting and its chairman is rotated, and is hosted by one of those organisations at its headquarters. At its second meeting in 1990 Ratu Mara stated: ‘it was the responsibility of the heads of regional organisations to guide, to encourage and to inspire member countries to continue the process of intensifying, expanding and consolidating the regional co-operation that we have started’.

3.4. Post-Forum Dialogue

By 1988 the Forum leaders felt it important to cooperate with other organisations and countries outside the region. Japan and Canada had substantially increased the level of their economic assistance to the region. Realising the potential benefit, the Forum leaders wanted to extend cooperation with other countries in the form of post-Forum dialogue - a type of meeting with major donor states conducted after the annual Forum meetings. This is certainly based on ASEAN’s annual post-ministerial conference in which the ASEAN foreign ministers meet the foreign ministers of major industrial countries. This is evidence that the Forum has learned from the ASEAN experience.

To initiate the meetings, the Forum leaders agreed in 1988 to invite selected countries and organisations which had an active and constructive involvement in the region to participate at an appropriate level in the dialogue. Representatives from the governments of Canada, France, Japan, the United Kingdom and the USA attended the first post-Forum dialogue in Tarawa in 1989. China (Peoples’ Republic of China) accepted the Forum’s invitation but was unable to send its delegate. The issues that the Forum and non-Forum representatives wished to address included driftnet fishing and related concerns, environmental and nuclear issues, New Caledonia,

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trade and investment, regional transportation, development assistance and the need to improve the productive and marketing capabilities of Forum countries. In 1990 China attended the dialogue and the Forum leaders agreed to invite the European Community to participate in the dialogue in 1991.

The proposal to include Taiwan (Republic of China/ ROC) in the Post-Forum dialogue was divisive. First, because China - which had been a dialogue partner since 1990 - strongly objected. A decision to include Taiwan would have meant impinging on the sovereign rights of some countries that recognised China. Secondly, only four Forum states, Nauru, the Solomon Islands, Tonga and Tuvalu, had diplomatic relations with Taiwan and have enjoyed economic benefits. They claimed that Taiwan’s economic contribution to the development of the region should be recognised. As Prime Minister of Tuvalu, Bikenibeu Panieu, stated the ‘considerable contribution the ROC made to advancing socio-economic development in the region should be of primary importance’. A similar argument was expressed by the Nauru President, Bernard Dowiyogo, who ‘could not understand why political considerations should cloud reality that the ROC could help and promote the interests and welfare of the region’. But the majority of the Forum states did not have diplomatic relations with Taiwan, just commercial contacts. The Forum leaders agreed in the end only that appropriate criteria and formulae for the selection of dialogue partners needed to be clarified. In the 1991 Forum meeting, however, the Forum decided that ‘there should be no change to existing criteria for post Forum-Dialogue Partners or to the current list of Partners’. Instead, the Forum heads of government directed the Forum Secretariat to examine the possibility of a separate meeting for exchange of views with representatives of Taiwan.

4. CONCLUSION

When the Pacific Island leaders created the South Pacific Forum in 1971 they had several hopes and expectations in mind. Some were vague, others specific. First, they believed that environmental conditions and some similarities in their background (social, cultural, economic, and political) were the primary factors uniting them. Secondly, the Island leaders were sure that though they were small and weak, they would be stronger when they faced outside

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86. See Forum Communique, 1989, p.2.

87. Summary Record of the Twenty First SPF Meeting, Port Vila, Vanuatu 1990, p.5.

88. Ibid., p.8.

countries if they united. Thirdly, they expected that by uniting, each of them would be able to improve its social and economic condition. The Island leaders believed that economic growth was of paramount importance for them, and cooperation among themselves as well as with other countries outside the region was essential to achieve that goal. And fourthly, by creating the Forum, they expected that indigenous people could control their own organisation: the agenda, the debate and the sub-committees set up to service the Forum and implement policies. The Island leaders expected that the Forum would become an arena for addressing their common political and economic concerns.

These expectations increased from time to time. Inevitably, the Island leaders had new expectations each time they dealt with a new agenda and these expectations also developed at the same time the agenda was discussed. Examples of these are the leaders’ expectations in addressing fisheries, trade, transport and environmental issues which can be found in the following chapters.
CHAPTER III

ASSISTING THE DECOLONISATION PROCESS

There were independent Pacific Island states before the Forum was created (Western Samoa, Nauru, Tonga and Fiji). Eight Pacific Island states subsequently gained independence in various degrees, and the others are territories still administered by their colonial masters. In some territories such as New Caledonia, the indigenous people are struggling to gain independence and in other territories, such as French Polynesia and American Samoa, the populations - or significant sections of them - want their territories to remain integrated with the metropolitan powers. In those islands which have become independent, the transition was caused partly by the indigenous desire to attain nationhood but mostly by the colonial powers' decision to end control. This chapter will examine the Forum's role in the decolonisation process in the region, looking particularly at the countries which gained independence after the Forum was established and territories which are now struggling to gain independence and expected to be Forum members.

1. The Decolonisation Process: General Background

The decolonisation process in the South Pacific region was late and incomplete compared with other regions such as Asia and Africa. It started on 1 January 1962 when Western Samoa became independent. Within three decades Western Samoa was followed by other Island countries. By the end of 1991 the region consisted of nine fully-independent states (Western Samoa, Nauru, Fiji, Tonga, Papua New Guinea, Solomon Islands, Tuvalu, Kiribati, and Vanuatu); two self-governing states in association with New Zealand (Cook Islands and Niue); two self-governing states in Free Association with the United States (the Republic of the Marshall Islands, and the Federated States of Micronesia); one self-governing state with Commonwealth status in union with the US (the Commonwealth of Northern Mariana Islands); two unincorporated US territories (Guam and American Samoa); one New Zealand Territory (Tokelau); three French Overseas Territories (New Caledonia, French Polynesia, and Wallis and

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1. The discussion will be strictly limited to the members of the Forum and the territories most likely to become new members of the Forum. For a detailed account for all countries and territories in the region, see Peter Larmour, 'The Decolonisation of the Pacific Islands' in Ron Crocombe and Ahmed Ali (eds.), Foreign Forces in Pacific Politics, (Suva: the University of the South Pacific, 1983), pp.1-23.

2. The Republic of Marshall Islands, the Federated States of Micronesia, the Republic of Belau and the Commonwealth of Northern Mariana Islands were formerly the US Trust Territory of the Pacific Islands.
Futuna); even one British Colony (Pitcairn Islands); one Australian territory (Norfolk Island); a province of Chile (Easter Island); and one UN Trust Territory under the US administration, Belau. It has self-government but has not yet completely agreed with the Compact of Free Association due to some provisions of its Constitution which are in contradiction with the Compact. Consequently the degree of its independence is still questionable (see Table 2).

Western Samoans' demand for independence started with the emergence of the Mau Movement in the 1920s. However, it was not until 1947 that New Zealand 'finally instituted constitutional developments aimed ultimately at independence'.

In 1965, another New Zealand territory, the Cook Islands, achieved the status of being self-governing in association with New Zealand. This was because the Cooks had neither the resources nor the personnel to move immediately towards total independence. New Zealand is responsible for the conduct of external affairs and defence. The Cook Islanders also have dual citizenship. The Cooks also receive financial support from New Zealand and either side can unilaterally terminate the understanding. There have been several attempts by the Cook Islands government to declare a fully independent state and the Cook Islanders do not necessarily accept the formal limitations on their power. As the former Prime Minister, Sir Thomas Davis, claimed:

'It is the New Zealand Government which argued that New Zealand controls our foreign policy and defence matters. That is not true. We fully control all matters of government. We do not need to discuss any issues related to these matters. Thus it is wrong if somebody claims that we have to wait for New Zealand's approval on these issues.'

Similar claims are also made by the recent Deputy Prime Minister and Minister of Foreign

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5. The UN General Assembly gave guidelines for a non-self governing territory to reach a full measure of self-government by choosing one of the following alternatives: (a) as sovereign independent State, (b) free-association with independent State, and (c) integration with independent State. Based on this background New Zealand added another option, 'ultimate integration with a Polynesian Federation' and offered them to the Cook Islanders which in the end chose the second option.


Affairs, Inatio Akaruru. He added further: 'our country was not colonised by New Zealand, thus there was no point to say that it has the right to control all our policies. But, be aware that historically New Zealand was colonised by us. See who are the indigenous people in New Zealand?'

Both former New Zealand Prime Ministers, David Lange and Robert Muldoon, countered those statements, arguing that the Cook Islands leaders deliberately declined to accept the fact that there is a provision in the Cook Islands' constitution which regulates the two countries' relationship, most importantly the sharing of power between them.

New Zealand does not have any objection to the claim if that is what the majority of the Cook Islanders want. The Cook Islands' constitution retains a continuing right to look at other possibilities such as full independence or integration with New Zealand, if these should seem more suitable for them. But it is very unlikely. They enjoy dual citizenship and free access to New Zealand derives from it. Geoffrey Palmer, another former Prime Minister, however, added:

it [New Zealand's conduct of foreign affairs] is included in its constitution, but in practice, during my term, I did not see them wait for our approval in relation to foreign affairs and defence. The Cook Islands government exercised all matters, and I did not have any objection. We have said to them that if they want to establish a foreign embassy, they can do it, and they have done so in a number of countries, two or three. We don't mind.

Actually, there is no need for either party to dispute its responsibilities under the arrangement. The constitution states clearly all of those obligations. They should bear in mind however, that according to international law, free-association is not sovereignty. New Zealand will continue to be responsible externally for the Cook Islands and there is no question of recognition by other states. The more powers that the Cook Island government now have in handling foreign affairs and defence matters will not affect its status unless the majority of the Cook Islanders want to change the constitution.

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8. Interview with Inatio Akaruru, Deputy Prime Minister and Minister of Foreign Affairs of the Cook Islands government at the Dateline International Hotel, Nuku'alofa, Tonga, 30 October 1991.


Nauru attained independence in 1968 through the efforts of the Nauruan Chiefs, particularly Hammer DeRoburt. His ultimate success was also as a result of 'the constant pressure applied by the United Nations Trusteeship Council which as early as 1948 supported political advancement for the Nauruans'. But, Australia (which took control of the phosphate industry) was very reluctant to accept the political development of Nauru. Two years before independence, the first general election for a legislative assembly was finally held. The Australian Government at that time thought that 'it was inappropriate to set a definite date for independence'. The Australians preferred to talk about the possibility of further political progress in a few years time. New Zealand and Britain, as Australia's administering partners, took a similar view. In early 1966 Nauru was permitted a considerable measure of internal self-rule, and in late 1967 Nauru was given self-governing status, 'leaving its external affairs to be handled by Australia'. And finally on 31 January 1968 the independent Republic of Nauru was established. To show its closeness with its former colonial master, it joined the Commonwealth of Nations.

On 4 June 1970, a change took place in the international status of Tonga which its government described not as 'the attainment of independence' but as 're-entry into the Comity of Nations'. With this new status Tonga managed her own foreign affairs and thus became a fully sovereign state. Prior to 1900 Tonga had been recognised as an independent state and had conducted her own foreign relations. In 1900, however, control of foreign affairs and certain other rights passed to Britain under a Treaty of Friendship and Protection. British influence was extensive. Five years later British powers were extended to include certain matters of domestic administration. But the relationship between Britain and Tonga was progressively revised in the opposite direction, so that only foreign affairs (including defence) remained under British control.

Fiji gained independence in October 1970. During the 1960s, the British Government had actually been eager to bring Fiji to independence, but its plans were delayed due to the domestic politics of Fiji. Fijians had viewed the prospect of self-government with anxiety

11. Although Nauru was a tiny island and with only 6000 population (at independence), its position as a Trust Territory and its wealth (as a phosphate industry) made independence possible. See details in N. Viviani, Nauru: Phosphate and Political Progress, (Canberra: ANU Press, 1970), p.95.


because of the challenge presented by the growing size, influence and aspirations of the Indian community.\textsuperscript{15} And Europeans were similarly conscious of the Indian challenge, particularly in business and the professions.\textsuperscript{16} Compromise was achieved. Indians were represented by the National Federation Party and Fijians represented by the Alliance Party. Both parties finally agreed on safeguards, and independence could proceed.\textsuperscript{17} But before independence was gained, there were two preceding conferences\textsuperscript{18} held in London in 1965 and in April 1970.

Those five countries (Western Samoa, Nauru, the Cook Islands, Fiji, and Tonga) plus Australia and New Zealand were the founding fathers of the South Pacific Forum. The following countries (Niue, Papua New Guinea, the Solomon Islands, Tuvalu, Kiribati, Vanuatu, the Republic of Marshall Islands, the Federated States of Micronesia) gained independence after the Forum was created, and then became members.

Niue, the small New Zealand territory, followed the Cook Islands' constitutional path in 1974.\textsuperscript{19} New Zealand had actually proposed constitutional developments in the period 1963 - 1966. But the Niue Assembly rejected this proposal and preferred no fixed date.\textsuperscript{20} The Premier of Niue, Robert Rex, was aware that this was an unusual case. Rex said, 'there is a unique situation of a people who decided to slow down the pace of decolonisation, rather than the reverse of demanding an acceleration, like other colonial peoples have done'.\textsuperscript{21} Niueans were worried that self-governing would mean the cutting of their traditional ties with New Zealand, ties which included the sharing of a common citizenship and the heavy reliance on New Zealand for external affairs.

\begin{itemize}
\item \textsuperscript{15} Ibid.
\item \textsuperscript{18} In the first conference it was agreed to further enlarge the Legislative Council and adopt procedures to elect some members from a common voting roll. The number of representatives from each ethnic group, however, remained fixed. The second conference endorsed the complex procedures in use as the best means of selecting a proposed House of Representatives. After drafting the Constitution and approving its implementation without further election, the conference agreed that Fiji would become independent in October 1970.
\item \textsuperscript{19} The 1974 Constitution granted Niue self-government, though New Zealand remained responsible for foreign relations and defence, and a special New Zealand representative was posted in the territory. Like the Cook Islanders, Niueans are New Zealand citizens.
\item \textsuperscript{21} Address by the Premier of Niue at Independence Day. See \textit{External Affairs Review}, Vol.XXIV No.10, October 1974, p.21.
\end{itemize}
Zealand economic support. This meant that by 1974 Niue had a long period of constitutional discussion and development. Niue was admitted as an observer to the Forum in 1973 and as a full member in 1975.

In Papua New Guinea, gradual constitutional change and white dominance of the members’ benches changed in 1964 with the first general election to the House of Assembly. Although ‘self-determination’ for Papua New Guinea had been a relatively a long-term goal in both Australia and the two territories at least since the end of World War II progress toward that end was very slow during the 1950s and early 1960s. However, when the Labor Government came to power in Australia in 1972, the pace of the transition to independence quickened dramatically, and in 1973 PNG became a self-governing territory. PNG was admitted as an observer in 1973 and as a full member in 1974. PNG gained its formal independence from Australia the next year.

For the Solomon Islands, the transition to independence was not altogether smooth. The nation was divided over the issue of local government. The people of the western islands, who were economically better off than the rest of the population, were especially concerned about retaining control over their resources. When Bougainville attempted to secede from Papua New Guinea in 1975 the Shortland Islands threatened similar action against the Solomon Islands Government. This happened again in 1977 at the constitutional conference held in London when the western islanders demanded considerable autonomy. Even though the western islanders expressed opposition, they finally acceded to the provisions for independence. The Solomons gained independence on 7 July 1978 and became a member of the Commonwealth of Nations. The Solomon Islands was admitted as a full member of the Forum in 1978.

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23. There was also another question for both sides: whether the two territories were better to continue in association with Australia or form a fully independent state. Self-determination appeared in Australian reports and it allowed these possibilities.

24. In 1971 Professor Davidson as well as other people predicted that the Territory of Papua and New Guinea would attain self-government in a few years time. This was, as he argued, due to the internal tensions, as well as to political circumstances in Australia. I regard this as his counter argument against a statement by the First Assistant Secretary of the Australian Department of External Territories. In the late 1950s he was asked how soon he expected Papua and New Guinea to become self-governing. He confidently replied: `we shall still be there in the year 2000'. For details see J.W. Davidson, op.cit.,pp.14-17, D. Woolford, Papua New Guinea: Initiation and Independence, (St Lucia: University of Queensland Press, 1976); J. Griffin, H. Nelson, and S. Firth, Papua New Guinea: a Political History, (Richmond, Victoria: Heinemann Educational Australia Pty Ltd., 1979), pp. 138-233; and Frederica M. Bunge and Melinda W. Cooke (eds.), Oceania: A Regional Study, (Washington D.C.: US Department of the Army, 1985), pp.163-68.
After World War II the Gilbert and Ellice Islands Colony (GEIC) was slowly prepared for eventual self-rule through the evolution of a series of advisory and legislative bodies. In October 1975 a popular referendum brought about the severance of the Ellice Islands from the GEIC, and they emerged as a separate dependency, renamed Tuvalu. Three years later, in October 1978, Tuvalu became an independent country and continued relations with Britain as a member of the Commonwealth of Nations. It was granted observer status in 1976 and became a full member in 1977.

In Kiribati (the Gilbert Islands), steps to self-rule and eventual independence began in 1963, when advisory and executive councils were established, continuing through 1977, by which time the GEIC had achieved total internal self-government. One year after Tuvalu’s independence, on 12 July 1979, the Republic of Kiribati was born. It was admitted with observer status in 1976 and became a full member in 1977.

Vanuatu (formerly the New Hebrides) attained independence in July 1980 after a government of national unity was created in 1978 and set a timetable for full independence in 1980. The struggle for independence in Vanuatu was more turbulent than in the other states in the regions. As David Robie, a New Zealand journalist wrote: ‘It was ... the first time a South Pacific nation had been torn by violent upheaval while gaining independence’. That hard struggle was a result of the existence of various parties which, in part, represented British and French interests in Vanuatu. After independence, Vanuatu became a full member of the Commonwealth of Nations and of the French cultural organisation, the Association de Cooperation Culturelle et Technique. Observer status in the Forum was granted in 1979 and Vanuatu became a full member in 1980.

Decolonisation in the United States Trust Territory of the Pacific Islands (USTTPI) has been greater than in the French territories. In the USTTPI, the process started in 1965 when the Congress of Micronesia was established, and this was followed two years later when the island lawmakers created their own political status commission. Four options for the future of the USTTPI were considered: free association, independence, integration with the US, and the status.

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25. see David Robie, Blood on their Banner: Nationalist Struggles in the South Pacific, (Leichhardt, NSW: Pluto Press Australia, 1989), p. 67. For details of the path to independence in Vanuatu, see the good account by Stephen Henningham, France and the South Pacific: A Contemporary History, (Sydney: Allen & Unwin Pty Ltd., 1992), Chapter II.

quo. The Commission recommended the first, an option initially suggested by the arrangement made between the Cook Islands and New Zealand in 1965. Negotiations with the US began in 1969. A rough draft compact was prepared in 1974 through informal talks and initialled in 1976.

However, the concept of free association was not universally supported by Micronesians. This became a major divisive issue in 1971, when the Mariana District delegation expressed a desire for a much closer relationship with the US than did the other parts of the TTPI. Bilateral negotiations between the US and the Marianas opened in December 1972. The talks led to the signing in 1975 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the US.

In January 1978 the Northern Mariana Islands had formally assumed 'Commonwealth Status' through its right to free choice and according to constitutional processes of the islands group and the US. Under this arrangement, the Northern Mariana Islands has the right of local self-government with respect to all internal matters, and the US will have full responsibility and authority over foreign affairs and defence.

The separation of the Northern Mariana Islands from Micronesia resulted in the emergence of three further separate political jurisdictions. The Marshall Islands District became the first of the three entities to draft and approve its own constitution, becoming self-governing on 1 May 1979, under the name of the Republic of the Marshall Islands. The four Caroline districts - Yap, Chuuk (formerly Truk), Pohnpei (formerly Ponape), and Kosrae (formerly Kusaie) - became self-governing on 10 May 1979, as the Federated States of Micronesia (FSM), and Belau (formerly Palau) became a self-governing republic on 1 January 1981 under a constitution that had been ratified in the July 1979 referendum. Each of these three states agreed to establish with the US a relationship of 'free association' under the Compact of Free Association.

The Compact recognizes the international legal status of the three new states as

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27. By this status, the political framework for the Northern Mariana Islands and for its relationship with the US is set forth in the Covenant signed in 1975 and enacted by the US Congress in March 1976 as Public Law.


29. The US formally signed the Compact of Free Association with the Marshall Islands in June 1983, with FSM in October 1982 and with Belau in August 1982. The Compact was approved by the US Congress in 1983 and in 1986 President Ronald Reagan signed the required legislation and decreed that the compacts were in effect.
sovereign, self governing states in free association with the US.\textsuperscript{30} Since then the US Department of State has established diplomatic missions in Kolonia, Pohnpei (Micronesia) and in Majuro, the Marshall Islands, and consequently, both the Marshall Islands and the FSM have established diplomatic missions in Washington. The Republic of Belau has not yet established a diplomatic mission in Washington due to its constitution which is in conflict with the compact. The compact would allow the presence of nuclear weapons in case of military emergency, whereas Belau’s Constitution prohibits all nuclear and toxic materials without the express approval of three-fourths of the votes cast in a referendum submitted on this specific question. It is important to note that diplomatic relations are based on the Vienna Convention on Diplomatic Relations.\textsuperscript{31} The FSM was admitted as an observer to the Forum in 1980 and granted full membership in 1986. The Marshall Islands never applied to be an observer, but became a full member in 1986.

Under the arrangements each state has full responsibility for its internal affairs and substantial responsibility for the foreign affairs. The US has authority to exercise responsibility for defence and security.\textsuperscript{32} In the compact, as well as in the bilateral pacts, the US agrees to defend the freely associated states from attack or threat to the same degree as the US and its citizens are defended, and to exercise the option to foreclose access or use of the states by military personnel or for the military purposes of any third country.\textsuperscript{33}

In French overseas territories (French Polynesia and more particularly New Caledonia), there have also been recent developments aimed at giving a greater degree of autonomy.\textsuperscript{34} Independence for Wallis and Futuna, due their heavy economic dependence on France, is impossible in the near future. The two islands will remain a French overseas possession.

\textsuperscript{30} For further discussion on the process of the negotiation of the Compact of Free Association, its status in international law, in relation to the termination of the USTTPI, obligation of both parties, and details of individual states, see in Arnold H. Leibowitz, \textit{Defining Status: A Comprehensive Analysis of US Territorial Relations}, (Dordrecht, the Netherland: Martinus Nijhoff Publishers, 1989), pp. 595 - 702.


\textsuperscript{32} In Marshall Islands and the FSM for a minimum of 15 years, and 50 years in Belau.


\textsuperscript{34} The demographic and economic history of New Caledonia is discussed in detail in John Connell, \textit{New Caledonia or Kanaky? The Political History of a French Colony}, (Canberra: Pacific Research Monograph No. 16, 1987).
In the thirteen years after Western Samoa's independence, except for Nauru, decolonisation was something that happened in Polynesia. In Melanesia decolonisation did not begin until 1975 when PNG became independent. Decolonisation did not affect Micronesian states (again except Nauru) until 1979 (Kiribati's independence). The Islands' independence was attained from the British powers (including Australia and New Zealand) and not from the USA or France (except for Vanuatu, formerly administered jointly by Britain and France). After independence the new states usually stated their intention to remain on good terms with their colonial powers. This was demonstrated when most of them joined the Commonwealth.

Except in the case of Nauru, Western Samoa and Vanuatu, constitutional change has not been primarily instituted in response to local demand. In some territories, such as the Cook Islands and Niue, there was actually reluctance on the part of some significant groups about the gaining of independence. Fear of reduced financial flow from metropolitan powers was common. Thus, as Fry concluded, 'the Pacific experience has not generally been one of an indigenous desire to break free from colonial control as quickly and as completely as possible'.

Compared to Asia and Africa, decolonisation in the Pacific Islands came later and less completely. This is, as Davidson argues, because most of the area lies remote from centres of major international conflict, so that administering authorities have been exposed to less intense pressure to move out. He also argues that the lateness of the decolonisation process has been caused by the small population of each country, except PNG and Fiji, which often gave limited opportunity for people to came together at a common meeting place, so that effective political leadership has been slow in emerging. Separate nationality is not a great prize if on attaining it the state is so physically and economically tiny that it is a nonentity among other nations.

Decolonisation in the Pacific and its aftermath, except in the cases of Vanuatu and Fiji (after the military coups), have also been peaceful and orderly. The Pacific states have not experienced any revolutions (like those, before and after independence in Indonesia), and no civil wars (like those in the Congo and Nigeria).

35. For example the highlanders in PNG saw that independence would threaten the flow of development capital from Australia. There was also a concern that power would pass to the better educated coastal people. If independence was delayed then they had a chance to catch up. The Cook Islands and Niue chose independence with free association with New Zealand, partly because of the same fear of reduced financial flow; and the same case can also be applied to the Micronesian states.


37. See J.W. Davidson, op.cit., pp. 3-5.
The leaders of the Pacific Island states have similar experiences of the process of decolonisation. Many were mission educated, got their first jobs in the church or colonial service as teachers, became party leaders and began to attend various conferences before moving on to regional and international roles. For example: Henry Naisali, the former Deputy Prime Minister of Tuvalu became the Secretary General of the Forum Secretariat. He had active roles not only in the region but also outside the region such as in Asia. Atanraoi Baiteke, the former Secretary of Foreign Affairs of the Kiribati Government, became the Secretary General of the South Pacific Commission. Ieremia Tabai, the former Kiribati President, was recently elected as the new Secretary General of the Forum Secretariat. Ratu Mara of Fiji and Sir Michael Somare of PNG were active not only in the region but also in the United Nations. Peter Kenilorea, former Prime Minister of the Solomon Islands and Minister of Foreign Affairs, was in 1991 also elected as the new Director of Forum Fisheries Agency replacing Phillipp Muller of Western Samoa who took a new position as the SOPAC's director. Those are just a few examples, and not included are staff secondments from each member government to regional organisations. So, there are movements of Pacific leaders' roles from national to regional and even international. These new leaders are all facing similar problems in their own countries. They often met each other in various regional and international fora, and this makes them personally close. These shared experiences and friendships have certainly contributed to the establishment of regional cooperation. And it has made discussion of sensitive issues among them easier. It is also meant that they have been more united in negotiations with the metropolitan powers and they have found it generally easy to inherit and adopt colonial institutions and methods.

Now, more than decades after the independence process began, a new generation of leaders is emerging. At the same time the Forum Island states are starting to turn their attention outwards. They are establishing relations with a wide range of countries, and re-examining what they had merely accepted for so long - that Australian and New Zealand interests were in accord with their own needs.

2. What the Forum has Done


The decolonisation issue, although a major reason for creating the Forum, was not discussed by the Forum until 1979 when it passed a resolution supporting independence for Vanuatu. The Forum did not contribute at all to the decolonisation process in the cases of Niue,
Papua New Guinea, Tuvalu, Solomon Islands and Kiribati. Even to 1981 decolonisation had not become a major issue, for example the Forum contributed very little to the decolonisation process in the New Hebrides which became independent in 1980. This was not because the Forum leaders did not have any serious intention of discussing the issue but partly because most of those Island states did not need any help from other states in the region. There was also disagreement among the Forum members when the PNG troops were dispatched to Vanuatu to put down the Santo rebellion. The decolonisation process, in most cases, ran smoothly. Except for the French colonies, the Pacific Island states were fortunate. Firstly, they had relatively benign colonial masters (the British, Australians and New Zealanders) and secondly, most are not endowed with abundant natural resources, except for Papua New Guinea and, to a lesser extent, Fiji and other bigger Island states. They have not had the obvious wealth which the colonial power is reluctant to let go, and the British, Australians and New Zealanders have generally not seen their national prestige being dependent on possessing colonies.

It was in 1979 that the Forum at last started to reaffirm its belief in the principle of self-determination and in independence applying to all Pacific Island peoples in accordance with their freely expressed wishes. The Forum’s involvement in the issue was initially seen as a reaction to the New Hebrides’ troubled decolonisation. It was a particular response to PNG’s proposal which asked the Forum to take action regarding the French territories. PNG invited the other Forum leaders to support the independence movement in New Caledonia by adopting a resolution which specified the French as the colonial masters. Hard debate was unavoidable on the issue whether to single out France or just to mention ‘colonial powers’. The Deputy Prime Minister of PNG, N.E. Olewale, informed the Forum leaders of a petition addressed to the United Nations Special Committee of Twenty Four by Yann Uregei (leader of the Kanaky Independent Movement). The letter said:

In order to inform international opinion about the struggle of the Kanak Liberation in New Caledonia, I have the honour to address to you a copy of the petition I sent to the Special Committee of 24 on 24 July 1978, on behalf of the Kanak people, who are threatened by the French colonial policy of "Departmentalisation" (Annexation) and violence. New Caledonia is on its way to becoming a new Rhodesia.

In the name of the human Kanak communal society, from which I come, I ask you to help the Kanak people to fight against this colonial policy of integration, which is bound to end in civil war...

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38. Confirmed by the author’s interview with Ieremia Tabai, Kiribati’s former President and now the new Secretary General of the Forum Secretariat, Tarawa, 18 September 1991.

The next Forum meeting in 1980 also similarly 'calls upon and expects Britain and France, the two administering powers, to meet the expressed wish of the elected Parliament and Government of the New Hebrides to achieve independence on 30 July 1980 in terms of the agreed constitution'.\footnote{The Forum Communique, 1980.} From 1979 Vanuatu\footnote{At its independence on 30 July 1980, the New Hebrides changed its name to 'Vanuatu' which means 'the land which has existed, exists and will exist in future'. For details of Vanuatu's transition into an independent nation, see Father Walter Lini, \textit{Beyond Pandemonium: From the New Hebrides to Vanuatu}, (Wellington: Asia Pacific Books, 1980).} had been an observer at the Forum and two weeks before its attainment of independence (when the Forum meeting took place), Vanuatu was admitted as a new member of the Forum. In his address at the Forum meeting in Tarawa, Kiribati, in 1980 the Chief Minister of the New Hebrides, Father Walter Lini thanked the Chairman and other Forum leaders for the support they had given his government in the current political situation in his country. He assured the Forum that Vanuatu would play a full role in Forum activities.

Although the independence of Vanuatu cannot be regarded as resulting from the Forum's influence, at least the Forum started expressing the Pacific Islanders' opposition to all forms of colonialism. But, strangely, it was not until the end of its first decade that the Forum met its first expectation: the Island states used the Forum annual meeting as an arena to discuss political issues such as decolonisation.


2.2.1. French Overseas Territories

\textbf{NEW CALEDONIA}\footnote{It is beyond this Chapter to examine the details of the decolonisation process in New Caledonia. For accounts on this see John Connell, \textit{'New Caledonia: The Matignon Accord and the Colonial Future'}, an Occasional paper No.5 of the Research Institute for Asia and the Pacific, Sydney University, 1988; John Connell, 1987, op.cit.; Helen Fraser, \textit{New Caledonia: Anti-Colonialism in Pacific Territory}, (Canberra: Peace Research Centre, Australian National University, 1988); and S. Henningham, 1992, op.cit., Chapters 3 and 4.}

The one case where the Forum has strongly influenced decolonisation is that of New Caledonia. Its heavy involvement started in 1981 when the Forum meeting decided to send a delegation, led by the Forum Heads of Government, to Paris to see President Mitterrand to discuss the question of the evolution of the French Government's policies on the progress towards decolonisation of the people of the French Pacific territories. The Deputy Prime Minister of Vanuatu, Fred Timakata, drew the attention of the Forum leaders in 1981 to the situation in New Caledonia. Vanuatu proposed two steps that could be taken by the Forum. Firstly, to send
a delegation of Forum representatives to meet with President Mitterrand to express the concern of the Forum. Secondly, the Forum should agree to sponsor and campaign for New Caledonia to be included in the list of non-self-governing territories of the UN Special Committee on Decolonization. If the Forum did not take the above actions, then it would be interpreted by the Kanaks Independence Front as a lack of interest from the Forum. Vanuatu believed that if the Forum did not give support, then the Front would seek help from organisations and countries outside the region whose interests might not coincide with those of Forum countries. The Chairman of the Forum at last summed up the Forum position as follows:

a. The Forum accepted that a delegation should be sent to have discussion with the President of France;
b. the delegation should be led by a Forum Head of Government;
c. the leader would be the Prime Minister of Fiji;
d. the purpose of the approach was to seek information from the new French Government on its policy on progress towards decolonisation of its Pacific territories.43

The Fiji Prime Minister agreed to lead the Forum’s mission, although he felt that it was hard to confront the French government. He reminded Forum leaders that Fiji stood to lose more than any other Forum country by offending France. Fiji depended on its sugar sales to the European Community.44 On the question of reinscribing the territory in the Committee of Twenty Four, the Forum leaders agreed in principle. Australia and Fiji, in particular, which were members of that Committee, supported the idea but reminded other Forum members that the timing should be taken into account. They proposed that the action should be taken after the Forum mission to Paris got a response from the French government.

A positive response to the visit was received from the French government in 1982. The mission was led by Mara and its members were the former PNG Foreign Minister, Noel Levi, and the High Commissioner of Tonga, Inoki Faletau. They met and had a frank discussion with President Mitterrand and French Ministers. As the head of the mission, Mara also made another effort to monitor the situation in New Caledonia in the period between the Forum meetings in 1981 and 1982. In September 1981, for example, Mara visited Vila, Vanuatu, and met with the leaders of the Independence Front. To follow up the recent mission, the New Caledonia High Commissioner, M. Nucci, and the Vice President of the Council of Government, Jean-Marie Tjibaou, had called on him on 26 July 1982 and briefed him on recent events. In late July 1982, Yann Uregei of the Front de Libération Kanak et Socialiste (FLNKS) also called on Mara seeking

44. Ibid.
a more militant approach from Forum Governments. Uregei put three proposals to the Forum:

firstly, the reinscription of New Caledonia on the UN list of non-self-governing territories; secondly, a firm commitment from France to early independence for New Caledonia; and thirdly, recognition of the Independence Front as the sole representative of the Kanak people.\textsuperscript{45}

The Forum welcomed the French Government’s programme in New Caledonia and as head of the Forum Mission, Mara expressed his satisfaction on the reforms which were to take place in the territory. Similar feelings were expressed by other heads of government. Australia’s Prime Minister, Malcolm Fraser, for example, stated: ‘the mission had been well received and listened to closely. It had achieved positive results and showed that progress was being made’.\textsuperscript{46} The PNG Minister of Foreign Affairs and Trade, Rabbie Namaliu, on behalf of his Prime Minister, reminded members that the cooperation of the French Government might be lost if the Forum took no further step. He suggested that in view of the recent developments and the importance of the subject, a Ministerial Committee of the Forum might be established. The primary task of the Committee would be to monitor developments in New Caledonia so that the Forum could be kept fully informed on a regular basis. Namaliu’s suggestions were not generally shared by other delegates due to their busy schedules. The Forum adopted a resolution which, among other things, ‘urges the French Government to work closely with the Kanak people of New Caledonia in formulating a political programme for a peaceful transition to independence’.\textsuperscript{47}

In the next two years the Forum took a similar position on the issue, but supported stronger action. For example, in 1983 it proposed to the French Government that the Forum be granted observer status to monitor the decolonisation process in New Caledonia. In response to the proposal, Jacques Lafleur, one of the two deputies elected to represent the French Government in the Parliament and leader of the Rassemblement pour la Calédonie dans la République (RPCR), pointed out that ‘he would accept the Forum delegation only if Australia and New Zealand would allow him to lead a return delegation to check on Aboriginal and Maori rights’.\textsuperscript{48} Lafleur regarded it as an interference in the internal affairs of another country.

\textsuperscript{45.} Summary Record of the Thirteenth SPF Meeting, Rotorua, 9-10 August 1982, p.5.

\textsuperscript{46.} Ibid., p.7.

\textsuperscript{47.} The Forum Communiqué, 1982.

\textsuperscript{48.} See ‘Opposition to Forum Inspection’ in New Zealand Herald, 13 September 1983, p. 10.
During the 1983 Forum meeting in Canberra, the Forum countries had been divided, especially regarding whether the Forum should act quickly to reinscribe New Caledonia in the UN list. As usual, the group pushing for action was the Melanesian countries of Vanuatu, Solomon Islands, and PNG. Led by Vanuatu's Prime Minister, Walter Lini, this group suggested that the Forum should take action as soon as possible to reinscribe the territory. The group also insisted the Forum leaders recognise only Kanaks as the legitimate indigenous people to gain independence. They argued that to delay reinscription would contribute to instability in the region. The second group was led by Australia and followed by New Zealand, Fiji, Kiribati, Cook Islands, and Western Samoa. This group agreed to reinscribe the territory on the UN list but said to do so quickly would bring a great risk. Firstly, they believed it would embarrass the French government which had shown a positive response to the Forum's initiative. Therefore, the group suggested, it might be better for the Forum to wait one or two years to observe the French's continuing efforts. Secondly, they pointed to internal matters in the territory, for example, there were too few trained Melanesians to run the country. Therefore, immediate independence could take authority out of the hands of the Kanak people completely. Thirdly, too rapid change could also lead to instability, insecurity and possible armed conflict. There was evidence that substantial caches of arms had been laid up in New Caledonia.

In response to the demand that the Kanaks should be the only people having the right to independence, some Forum countries had reservations. Australia, New Zealand, Fiji and the Cook Islands believed that the Forum countries should be realistic. Non-Melanesian peoples were also living in the territory. Most were born there and regarded New Caledonia as their home. Therefore, the non-Melanesian groups should also be recognised and considered in the future of the territory. The Cook Islands mentioned that there was a Forum country that consisted of more than one ethnic group. They lived together and a workable constitution had been established to allow those groups to operate side by side within the democratic political system. He certainly referred to Fiji before the 1987 coups. Thus, New Caledonia could also build such a system. The Forum reached a consensus: to review the situation in New Caledonia at the next meeting and to consider the desirability of reinscription of the territory on the UN list of non-self-governing territories.

One year later, 1984, the French Government decided to reject the proposal of a Forum mission to visit New Caledonia. France pointed out, however, that the Forum diplomats were free to visit New Caledonia at any time and there were no restrictions on individual visits. The Forum was disappointed at the French response, instead it asked 'France to provide Forum
countries with information on a continuing basis. The Forum meeting in 1984 also spent most of the time discussing the reinscription issue. Again the two groups were very vocal and still had different perceptions. New Zealand and Australia, supported by Fiji, Western Samoa, and Cook Islands, opposed the proposal. They argued that the Forum should urge France to keep the region better informed. They believed that the New Caledonia issue could be resolved in New Caledonia, in France and within the region, but not in international fora. In their view, a move to reinscribe the territory on the UN list would give the wrong signals and indicate that the process of peaceful change had broken down and been replaced by confrontation and international, rather than intimate, diplomacy.

The Melanesian states, on the other hand, preserved their strong stand. They insisted the Forum have New Caledonia reinscribed on the UN list. Walter Lini of Vanuatu informed his colleagues that the Independence Front had resolved to boycott the election for the Territorial Assembly in the end of 1984, to withdraw from participation in the institutions of government, and to set up a provisional government. Therefore, he reminded the members there was a strong possibility of disruptions, violence and outside interference. Lini, supported by the Solomon Islands and PNG, argued that the Forum's best means to avoid those threats was to reinscribe the territory. The other Forum countries were passive during the discussion. Nauru made little contribution, and did not make clear which group it belonged to, though in 1985 it finally favoured the Melanesian states' stand. The Forum could not reach an agreement on the issue. It decided to review the reinscription issue at the next Forum meeting and set up a five-member group at ministerial level with the main task to discuss these issues with the Independence Front and with the French authorities and then to inform the Forum of its progress. It was also agreed that some Forum member countries might start lobbying in the international fora, for instance by circulating the Forum Final Communiqué to other UN members in New York.

The Forum reaffirmed its support for self-determination in New Caledonia in 1985 and welcomed the fact that France at last publicly agreed to an early act of self-determination with the objective of bringing New Caledonia to independence. The French Prime Minister put a new proposal that would divide the territory into four regional councils. A referendum on independence in free association with France, according to the plan, would be held by the end of 1987. The proposal was put after some violent incidents. The FLNKS had boycotted the election and partly as a result 20 people had died (16 of whom were Kanaks). Walter Lini


50. The group, led by the New Zealand Prime Minister, comprised Fiji, PNG, Vanuatu and Western Samoa.
warned that unless the Forum took a positive action, more violence would occur, and the effectiveness of the Forum as a regional body was questioned. The Forum, finally, reviewed further the reinscription issue and discussed other possible United Nations’ involvement in New Caledonia.

At the 1985 Forum meeting, a new proposal was put forward by Vanuatu. It proposed that the Forum grant observer status for the FLNKS. Lini believed that the Forum would then be able to contribute more positively to the struggle for independence in New Caledonia. Lini’s proposal, however was not supported by his Melanesian brothers. PNG opposed it and the Solomon Islands position, as stated by its Deputy Prime Minister, Ezekiel Alebua, was flexible. The rest of the Forum members, except the Cook Islands,51 were obviously against the proposal on the grounds that the FLNKS did not meet the criteria for observer status. The criteria are: it should be self-governing and have a fixed time table for independence. But, Australia had a flexible stand on the issue. Prime Minister Hawke suggested that although the FLNKS did not qualify under the existing guidelines for granting observer status, that the Forum should not be captive to the past. It should be flexible to suit emerging circumstances. Hawke suggested a working party be instituted to review membership guidelines.52 New Zealand agreed with Hawke’s proposal and added that such a task could be given to the Working Group set up in the Tuvalu meeting. This was supported by all members and the review group was expected to report to the 1986 Forum meeting.

The Forum’s hope that the positive element of the ‘Fabius Plan’53 would be firmly and consistently pursued to its conclusion was destroyed when in 1986 the new French Government under Chirac appeared committed to retain New Caledonia as a French territory. The Forum saw the new French Government’s policy as a step backward. The Forum countries were very disappointed and this resulted in another stronger proposal being accepted: that was its decision to formally request the reinscription of New Caledonia on the UN list of Non-Self-Governing

51 The Cook Islands’ support was understandable since the Cook Islands was trying to push the decolonisation issue in French Polynesia. Prime Minister Davis expected that if the FLNKS was granted observer status, thus French Polynesia should have the same treatment. Interestingly, when the Cook Islands proposed French Polynesia be granted observer status, Vanuatu did not support it.

52 Summary Record of the Sixteenth SPF Meeting, Rarotonga, 5-6 August 1985, pp. 12-3.

53 The Fabius Plan was presented to the French leaders by Edgar Pisani, French High Commissioner in New Caledonia. Under the Plan, passed on 23 August 1985, ‘the four regions would be governed by the Regional Councils to be chosen at elections to be held in September 1985’. Economic, social and cultural reforms were included in the Plan. There would be up to 30 months of direct rule from Paris leading to a referendum on independence in association with France scheduled to be held at the latest by the end of 1987. For details, see H. Fraser, 1988, op.cit., p. 33.
Territories through the Committee on Decolonisation (Committee of Twenty Four). Furthermore, the Forum states agreed to act together in pursuing that objective and to use their influence in the various international groups to which they belonged. For example, they requested Fiji, the Chairman of the 1986 Forum meeting and also the only Forum member on the Committee on Decolonisation, to convey the Forum's decision to that Committee and to ask the Committee to recommend reinscription to the UN General Assembly. The Forum also requested Vanuatu, the only Forum member in the Non-Aligned Movement, to convey the Forum's decision to the Movement's forthcoming meeting held in Harare, Zimbabwe, in 1987 and to seek the Movement's support for the Forum's decision. Both Fiji and Vanuatu were successful in their efforts.

THE DRIVING FORCE

The Forum's direction on the New Caledonia issue has been heavily influenced by two groups: the Independence Front and the Melanesian states. There are several reasons why the lobbying conducted by those two groups has been so strong. In the Melanesian states' view, New Caledonia is a neighbouring territory and the Kanaks are of Melanesian stock. The Melanesian states have a sense of solidarity with them and their wish to assist them is regarded as a moral obligation. Further, Vanuatu attained independence through struggle and in large part against the French, thus, its feeling of anti-colonialism is very strong. Thirdly, the Melanesian states were newly independent, and their perception of the Forum was different to those directly involved in establishing it. Both the Western Samoa Prime Minister, Tofilau Eti Alesana, and the former Prime Minister of the Cook Islands, Sir Tom Davis, bitterly attacked their Melanesian colleagues. They stated that the Melanesian states saw the Forum as a body which dealt mainly with political issues. The Melanesians, Davis said, were not fully aware that there were other important issues, such as economics, which would give the Forum members a better life. While supporting the independence process in the region, some Polynesian leaders regretted that the Forum had devoted so much time to discussing New Caledonia. More importantly, the Melanesian states, particularly Vanuatu, have often made very strong statements to the Forum leaders, for instance by threatening that if the Forum did not help then the Independence Front would seek help from countries outside the region which might bring instability to the region. Libya and the USSR were thought to be looking for opportunities to increase their influence in the Islands. The other Forum countries were not so vocal on the issue, except Australia and New Zealand which had special reasons. Australia and New Zealand did not want to see New Caledonia unstable. They believed that instability in the territory would spread to other countries.

54. Interviews with Western Samoa's Prime Minister, Tofilau Eti Alesana, Apia, 15 November 1991 and with the former Prime Minister of the Cook Islands, Sir Tom Davis, Rarotonga, 25 October 1991.
in the region, which in turn, would threaten the two countries' security. More over, their concern increased when they realised that the Kanak's struggle had been influenced by countries outside the region such as Libya.\(^{55}\) It was reported that two MP's of the FLNKS 'visited Libya on a controversial mission on August and a group of 17 Libyan-trained Kanak political activists recently returned to New Caledonia'.\(^{56}\) There has also been a report that the Kanaks would form a government in exile. Thus, pushed by those two groups and supported by Australia and New Zealand, the compromise on the issue became the voice of the Forum.

Eloi Machoro, one of the Kanak activists who visited Libya, bitterly attacked Australia, New Zealand and other South Pacific countries on their New Caledonian policies. He said:

Hypocrisy from Canberra and Wellington has helped our country into chaos. We're a peaceful people, but we have been frustrated in our right to independence for too long. Promises...promises...promises, and in the end nothing. For five years we pleaded with the South Pacific Forum for our case to be taken up in the United Nations. For five years we got nowhere.

Instead, when we took action ourselves, all we got was a hypocritical roasting over the Libyan and Moscow links, which are a load of rubbish.... If Canberra and Wellington had followed Vanuatu's lead, the Libyan issue would not have arisen. But when you're desperate you have to seek help where you can.\(^{57}\)

At the same time, Australia and New Zealand were also criticised by France. Mitterrand expressed indignation over Australia and New Zealand's attitude to the situation in New Caledonia. He said: 'Australia no longer had problems with its native Aboriginal population because many of them had been killed in the past. That is not the way chosen by France. It is why France is so highly esteemed and respected in its former colonies'.\(^{58}\)

THE INDEPENDENCE FRONT'S LOBBYING

For eight years, the Independence Front was very active in its lobbying, for example, by seeking more support outside the territory. As early as March 1976, an independence

\(^{55}\) The serious concern of the Australian Government was shown when its Foreign Minister, Bill Hayden, on 1 May 1987 made a dramatic flight to New Zealand to consult with David Lange (Foreign Minister as well as Prime Minister). They discussed regional matters prior to the Forum meeting in Apia on 30 May. Hayden further dispatched an envoy to the region to explain its concern. It was also Australia which proposed Libyan issue be placed on the Forum's agenda in Apia meeting. For details of the Libyan connection in the region, see David Hegarty, 'Libya and the South Pacific', a Working Paper No.127, (Canberra: Strategic and Defence Studies Centre, ANU, 1987).


\(^{58}\) 'Aussies Anger France over Troubled Island', *Auckland Star*, 17 December 1984, p. 2.
delegation had first gone to New York to attempt to have New Caledonia considered by the UN Commitee on Decolonisation. In 1979, a FI (Front Independantiste, a coalition of the five pro-independence parties which later became the FLNKS) delegation took their case for the first time to the South Pacific Forum, asking for Forum support to gain the territory's relisting with the UN Decolonisation Special Committee. In 1983 before the Forum meeting in Canberra, Y. Uregei visited the New Zealand Prime Minister, Robert Muldoon, and approached the other Forum countries for support to take the independence issue to the United Nations. The FLNKS’s President, Jean-Marie Tjibaou, went to Canberra during the Forum meeting.59 His lobbying proved successful when later the Forum decided to set up a Ministerial Committee on New Caledonia to check French moves to prepare that territory for independence. Michael Somare, the official spokesman at the Forum meeting in Canberra said, ‘the committee would assess for itself what moves were being made and report back to the Forum next year’.60 At the next Forum meeting in Tuvalu, Tjibaou did further lobbying after being disappointed by the fact that the proposal was rejected by the French government. Tjibaou praised Vanuatu for pushing the issue at the Forum but he accused the Forum of not being serious. He commented: ‘our experience with the Forum generally hasn’t been particularly encouraging. The Forum sees things the same way as the French socialists and our position - their Pacific brother - isn’t considered’.61 In 1985 lobbying by Kanaks intensified. Tjibaou went again to New Zealand to talk with Prime Minister Lange, and the Front’s foreign minister, Y. Uregei, visited South Pacific capitals to lobby Forum leaders and he later went to Rarotonga where the Forum meeting was held. The Melanesian group at that meeting insisted that the Forum take a tougher stand over the issue, while most of the Forum members, particularly, Australia and New Zealand, were reluctant to harden their stance.

In the Forum meeting in 1986 in Suva, Tjibaou was present again and more importantly he led a four-man pro-independence delegation. He looked for action from the South Pacific Forum leaders. He urged the Forum leaders to have New Caledonia placed on the UN list of countries seeking independence. He was sure that by doing this, France would get more international pressure. He was impatient to wait for the Forum to act and said: ‘the Kanaks had been seeking Forum support for the United Nations listing for seven years but the Forum had

59. Because the Forum meeting is a closed session, he was not allowed to attend the main session. It was clear, however, that he aimed to approach all leaders of the Forum countries. Responding to journalists, he said: ‘we are asking the Forum to put France under pressure regarding the independence question’. See ‘Call to Back Noumea’, in New Zealand Herald, 30 August 1983, p. 3.

60. See Roy P. Vaughan, ‘Forum Planning to Check French Moves over Self-Rule’, New Zealand Herald, 31 August 1983, Section I.

backed away from taking action'.62 Prime Minister Lange, who previously opposed having the issue taken to the UN, pointed out that New Zealand resistance would be token and gentle. He preferred to support any initiatives that kept the issue a Pacific one rather than having it dealt with in the UN. As part of his campaign, Tjibaou and his team also met with the Forum Chairman, Mara, to discuss the issue. He later met Lini to discuss lobbying tactics.

Interestingly on the same flight which brought the Kanaks' lobbyists from New Caledonia were seven anti-independence representatives. They were led by Pierre Frogier, the President of the Noumea-centre Southern Regional Council, the only council not dominated by the pro-independence groups. Another distinguished figure with him was French Senator, Dick Ukeiwe, an anti-independence Kanak. There is no evidence that they were invited by the Forum Chairman, but it might be assumed that their presence was obviously to counter the pro-independence group's lobbying. It was the first time the pro-French group had lobbied the Forum. Questioned by journalists in Suva, Frogier responded, 'we are in Suva to explain the position of the majority of the people living in New Caledonia and reestablish the reality of things'.63 But their mission was not successful. The decision to have New Caledonia reinscribed on the UN list was agreed in the Suva meeting. Tjibaou was the winner.

The seriousness of the Forum in handling the issue was shown in 1987 when it held a special session in Auckland to discuss a single agenda item: the New Caledonia issue. Four Prime Ministers (of Fiji, New Zealand, Western Samoa, and Tuvalu), four Foreign Ministers (of PNG, Vanuatu, the Solomon Islands and the Cook Islands) and a secretary of Cabinet (Australia's Gareth Evans) were present at the meeting. The objective of the meeting was to find a strategy aimed at widening the options for the political future of New Caledonia. After the Forum members had studied the draft form of the proposed referendum, they decided that it did not meet the UN principles which were fundamental to a free and genuine act of self-determination. At the end of the meeting they issued a communique which sharply criticised the French plan for the referendum in New Caledonia in 1987. Details of the statement were also sent to Paris to attract more attention.

France, on the other hand, had tried hard to influence the Forum countries' stance on New Caledonia. It persuaded certain Forum Island countries by sending letters of appreciation. One of the letters to an unidentified Forum member said, as told by Ratu Mara, 'France

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63. Ibid.
appreciates the importance of your role due to your moderation, your discernment, your wisdom, widely appreciated in the region...'. France also had made a more direct offer through aid to several members of the Forum. But when the Forum finally decided to reinscribe New Caledonia and gave support in the UN, France launched retaliatory measures. The Australian Consul-General in Noumea was expelled and France briefly broke off ministerial contacts with Australia in January 1987. Forum countries that supported independence in New Caledonia (and opposed nuclear testing in French Polynesia), notably Vanuatu, have had reduced bilateral aid. The Cook Islands, by contrast, which generally supported France's presence in the region, has received increased bilateral aid. That is evidence that the French administration had always tried to break the Forum's unity.

The re-election of President Mitterrand and the formation of the government of Prime Minister Rocard in 1988 changed French policy on New Caledonia. A most significant step in New Caledonia's history was taken when the 'Matignon Accord' was signed on 20 August 1988 by J.M. Tjibaou (for the FLNKS), Jacques Lafleur (for the RPCR) and Michel Rocard (for the French Government). By this Accord, the three parties agreed to hold a referendum for self-determination in 1998. In the middle of the ten-year transitional period (1992) the progress of the Accord will be assessed by the three parties.

Under the Accord, New Caledonia was ruled directly from Paris for the first year, followed by elections for a new three-province federal set-up. The new federal system offers little for the FLNKS. The Grand Terre (main island) is divided into north and south. The south, containing Noumea, the ports, airport, tourism facilities, hydro-electric dam, some mines and the nickel processing plant, will undoubtedly remain under white control. The northern province, whose only wealth in the form of mines and farms lies in settler hands anyway, is governed by an FLNKS majority. So will the Loyalty islands, which with a 99% Kanak population, make up the third province. More importantly, France has pledged to pour 75% of state funding into the two poor regions and also to train 400 Kanak management personnel by 1998.

The signing of the Accord is, certainly, the greatest achievement of the pro-independence parties, specially the FLNKS and is regarded by many critics and by Tjibaou himself as a grand victory for the indigenous people of New Caledonia. Nevertheless, the FLNKS leader reminded

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64. See 'France Given Deadline on Independence' in New Zealand Herald, 5 March 1987, p.5.
his followers that 'the future of our country has never been clearly in our hands'. He repeated his statement to the crowd, standing behind Rocard saying: 'Let there be not only accords, but let each of you sign the follow-up to the pact'. Those two statements clearly suggest that the Accord will not automatically guarantee independence. For the Kanaks hard struggle is still needed and they will have to use a careful strategy before the 1998 referendum.

Kanaks now make up 43 per cent of the population but may outnumber the settlers in 10 years' time. Although the flow of immigrants to New Caledonia was encouraged by the French government in the past, this will not affect the 1998 referendum. This is because strict residency requirements will apply to those intending to vote in 1998. Independence for New Caledonia appears unlikely as long as France retains a global strategic vision in which its role as a nuclear power has strengthened its hold over French Polynesia. France's loss of Vanuatu led it to strengthen its control in the region. France does not want further decolonisation in its territories, and besides there are increasing French interests in the South Pacific region such as technological, cultural and economic interests, particularly in regard to the new EEZ concept.

The signing of the Accord is, in fact, not a guarantee for Kanak independence in 1998, rather it is viewed as the best possible solution to end the conflict between the two major groups in the territory. The Ouvea incident of 1988 was perhaps the most serious, and it provoked both sides to find a quick temporary compromise. Jacques Iekawe, one of few Kanaks to achieve high-rank in the New Caledonia administration, commented that 'it is not a matter of who will win and lose or whether independent or not in 1998, but let [us] cooperate together to implement the Accord as well as possible'. Iekawé further said:

We are now implementing the Accord by distributing equally economic development in all sectors into the other provinces in the North and Loyalty. The training in various disciplines for Kanaks has also been conducted, and other development programmes are similarly enhanced. So, we are hoping that before 1998 the two major parties could decide to arrive at a compromise to find the best solution for the future of New Caledonia. Otherwise, after the Accord had been implemented in such a way, then, let

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47 See Helen Fraser, 1988, op.cit., pp. 6-8.

48 Interview with Jacques Iékawé, Deputy French High Commissioner in New Caledonia, Noumea, 27 August 1991. Other Kanaks who had high positions in the administration are: Dick Ukelwe (French Senator representing New Caledonia); Jean-Marie Tjibou (Vice President of the Territorial Government from 1980-1984); and Helêre-Courte, Director of Programme, the South Pacific Commission.
all the people in this territory decide for themselves their future.⁶⁹

Pierre Frogier, the RPCR's secretary General, supported Idékawé. Frogier stressed that he does not want to talk about New Caledonia in 1998, but wants to show the people in the rest of the world that 'we agreed to cooperate and implement the Accord'.⁷⁰ The French government's signs that it will implement the Matignon Accord are also welcomed by FLNKS leaders.⁷¹ The South Pacific Forum mission which visited New Caledonia two weeks before the Forum meeting in Pohnpei 1991 expressed its satisfaction on the implementation of the Accord.

If the Accord is implemented successfully, New Caledonia may take up one of three possible options. The first is it may gain independence in free-association with France. This is the most likely option in the sense that both major parties' expectations are accommodated. This model has been practised by the Cook Islands and Niue with New Zealand and the Marshall Islands and the FSM with the United States, and this has, in fact, previously been proposed by Edgar Pisani. Should this option be taken then power distribution among the people of both parties would be a paramount issue. The Kanaks are certainly demanding full independence for the whole territory, but this is obviously opposed by the RPCR. This option offers a compromise. More than that, this kind of solution, though not fully satisfactory, will be accepted by the Forum, in the sense that New Caledonia would be admitted as a new Forum member. More importantly, the Marshall Islands' and the FSM's admission to the UN as full members on 17 September 1991 would increase acceptance of this option.

The second possible future for New Caledonia is better described by using the following scenario. Suppose the Kanaks still strongly demand full independence, and the RPCR, on the other hand, strongly opposes it, then New Caledonia might be divided into two territories. The Kanaks would get the northern and Loyalty provinces and have full control over them and consequently become a separate independent state. Whereas, the southern part would remain French territory under RPCR control. For the RPCR, this option is perhaps more acceptable, but might not be for the Kanaks because the economic growth, business centre, and all other development is in the southern part of New Caledonia, even if during the ten year period, a

⁶⁹. Ibid.

⁷⁰. Interview with Pierre Frogier, the RPCR's secretary general, also the Mayor of Mont-Dore, Noumea, 22 August 1991.

⁷¹. Interview with FLNKS leaders: François Burck, President of Union Caledonie (UC), 21 August 1991; Rock Wamytan, Vice-President of the Congress, also the secretary general of UC, 20 August 1991; and Wasisi Iopueu, Director of Information, Agence de Developpement de la Culture Kanak; also member of Palika, 27 August 1991.
massive programme to transfer economic activities to the north was implemented. The sale of the nickel company to the north province in 1990 was perhaps a deliberate strategy of the RPCR to persuade the Kanaks that they have sufficient economic resources for an independent north province. This option is certainly opposed by both the Kanaks and the Forum countries. However, if it is the only option for the RPCR, the FLNKS as well as other ethnic groups in New Caledonia, this alternative might be considered.

The third option is for New Caledonia to remain a French territory but with more autonomy. This solution is virtually less likely. If it happens, then the RPCR would be seen as the winner, because by adopting this status, New Caledonia remains a colonised territory. The Kanaks would strongly oppose this option and perhaps more blood would be shed in New Caledonia. Should this option be taken, then New Caledonia would be more unpredictable in the future. However, there is another argument. If the Matignon Accord is successfully implemented, this would mean that the Kanaks’ standard of life would be better because of the more equitable distribution of economic programmes to all provinces and the Kanaks would also have better educational and other services. The Kanaks, then, are likely to move towards pragmatic anti-independence positions. They would think that their better quality of life was solely because of the French government’s action. As a result, their demand for independence would be less and less intense, and at last they might say ‘well, we might be better off if we remain a French territory, otherwise our standard of living will be worse if we gain political, but not economic, independence’. Jacques Idkawé does not deny this argument and argues that it is also possible option, while Pierre Frogier suggests the Kanaks see what happens in other small Island countries such as Vanuatu, Tuvalu that have economic problems after independence. Meanwhile, a French sociologist, Jean-Marie Kohler, who has studied Third World development for three decades and lived in New Caledonia for ten years has criticised the Accord. Kohler pointed out that the Accord has succeeded only in calming violence in the territory, but he asked, ‘are they capable of containing the Kanak independence struggle in the long term?’

Support from the South Pacific Forum has lessened since the Accord was signed. It does not mean the Forum has stopped supporting the decolonisation process, but the Forum wants to give enough time to the parties concerned to implement the Accord. It was not until the Forum meeting in 1990 in Vila that members decided to review the situation in New Caledonia by requesting the French government allow the Forum’s representatives visit the territory. The main idea was to see whether the Accord has been well implemented and whether all parties

were satisfied with it.\textsuperscript{73}

At first, it was not easy for France to accept the proposal. France argued, as usual, that the implementation of the Accord was an internal matter. The Forum was accused of interfering in French domestic policy. Frogier pointed out, 'it is our business and not the Forum’s. Even some of the Forum members, such as Fiji, Vanuatu, and PNG, cannot be seen as examples of practising democratic system'.\textsuperscript{74}

Initially, the team was to be led by Mara, and made up of the Foreign Ministers of the Solomon Islands and Nauru. As decided by the 21st Forum meeting in Vanuatu in 1990, the team was expected to present a report in the 22nd Forum meeting in Pohnpei, 1991. After the FLNKS President, Paul Neaoutyine, went to Paris to see and discuss the issue with Rocard, the Forum team visit was accepted with two conditions. First, the nature of the visit was not an 'inspection', but just an informal visit to see the implementation of the Accord. Secondly, they were allowed to come to the territory on an individual basis, not on behalf of the Forum.\textsuperscript{75} Only a week before the 22nd Forum meeting in Pohnpei took place, the French agreement was given. Fiji was finally represented by its Minister of Trade and Commerce, V. Vunibobo, and the Solomon Islands by its Foreign Minister, Kenilorea. Nauru did not send a representative because it received no assurance from France.

In Pohnpei, the FLNKS and RPCR were invited to come and attend the opening session and other informal functions. Wamytan and Neaoutyine were present but no one from the RPCR. It was not known why RPCR did not come. The Forum had acted fairly in inviting both major parties.

For the FLNKS, its participation in that event was very important in determining its future tactics. Its representatives were together with all leaders of delegations, mostly heads of government, at various informal functions. Thus, they spent their time carefully intensifying their lobbying of the Forum leaders. Wamytan expressed his satisfaction with the Forum’s support in various fora. He will continue struggling through various channels, such as, through the


\textsuperscript{74} Interview with Piere Frogier, the Mayor of Mont-Dore, and also the RPCR Secretary General, Noumea, 22 August 1991.

\textsuperscript{75} Interview with Rock Wamytan, the Vice President of the Congress, also Deputy President of FLNKS, Noumea, 20 August 1991.
Melanesian Spearhead Group, where the FLNKS has already become a full member, through the Non-Aligned Movement (as an observer), through the Forum, and with any individual country in the world sympathetic to the decolonisation process in New Caledonia.

FRENCH POLYNESIA

Compared to New Caledonia, strong sentiment for full independence in French Polynesia is lacking. For most of the local population in these territories it seems that it is autonomy (self-government within the French Community) that is desired rather than full independence. This was proven in the May 1982 election which was a victory for those advocating continued association with France. Full independence for French Polynesia is unlikely in the next few decades. This is because of its dependent economy, meagre economic potential, and severe social problems. Also French Polynesia is seen as central to French security interests, particularly in relation to its continuation of underground nuclear testing. The 1984 French Polynesia’s statute gives a clear explanation of what the responsibilities of the state (France) and the territory are. Similarly, what authorities can be shared between them. This new statute gives local elected officials a greater measure of control over territorial affairs. But in the most recent elections only four pro-independence members won seats in the local forty-one member Territorial Assembly. This is very different from the case of New Caledonia. Several factors have helped bring about this difference. Firstly, the status of the territory as outlined above. Secondly, French Polynesia has, except from the Cook Islands, no great support from other neighbouring countries, unlike what the FLNKS gained from its Melanesian brothers.

What the South Pacific Forum has done in relation to the decolonisation process in French Polynesia is certainly very different from that in New Caledonia. Because of its closer ties and intimate contacts, the Cook Islands was the most vocal among the Forum Island countries in addressing the decolonisation process in French Polynesia. In 1982, for example, while all Forum leaders considered the New Caledonia issue, the Cook Islands Prime Minister, Tom Davis, stated that it was unfair to discuss only New Caledonia without referring at all to other French territories such as French Polynesia. Davis informed the Forum leaders that

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76. The previous coalition which had proposed substantial internal self-government approaching full independence lost in that election.


although the independence movement in French Polynesia was supported by only the minority, the people were fairly united behind the course towards self-government. The people of French Polynesia, he said, had long been dissatisfied with French colonial practices. Compared to Walter Lini’s strong stance on the New Caledonia issue, however, Davis was moderate. He never insisted that other Forum leaders take particular steps. Commenting on the reinscription of New Caledonia issue, for instance, he preferred the argument that France should be given the opportunity to put more programmes into effect in its territories to assist their development.

In 1985 when Vanuatu requested the Forum grant observer status to the FLNKS, the Cook Islands asked the Forum grant French Polynesia the same status. New Zealand opposed the proposal because to grant French Polynesia observer status would be inconsistent with the Forum’s anti-nuclear stand, and French Polynesia could not constitutionally be compared with the Cook Islands. As Prime Minister Lange said: ‘in the case of the Cook Islands, independence would be granted the moment they wished to acquire it. In French Polynesia’s case that was doubtful to say the least’. For the first time, President Gaston Flosse of French Polynesia and other members of the Territorial Government were present at the Forum meeting in Rarotonga. Jean Juventin, the Mayor of Papeete and the President of Here Ail’a (Patriot’s Party, the third biggest party in the territory) was concerned that his country was excluded from the South Pacific ‘Club’ (Forum). That was another reason why the local government applied for observer status. A similar claim was expressed by the Secretary General of the Territorial Assembly, Vetea Bambridge, who, in a separate interview, added:

We do not want to see other countries in the region discussing some issues affecting our territory while ourselves were never present at that meeting. More than that we do not want to be isolated by countries in the region.

Other Forum countries rejected the proposal. Tom Davis complained about the Forum states’ opposition. He argued that the proposal was rejected only because French Polynesia was French. The Forum members had for many years strongly opposed the French policies in the region, particularly their reluctance to grant independence to their territories and their continued nuclear testing programme in Moruroa and Fangataufa.

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79. See Summary Record of the Sixteenth SPF Meeting, Rarotonga, 5-6 August 1985, p.23.
80. Interview with Jean Juventin, the Mayor of Papeete, Papeete, 23 October 1991.
81. Interview with Vetea Bambridge, the Secretary General of the Territorial Assembly, Papeete, French Polynesia, 22 October 1991.
82. Interview with Sir Tom Davis, the former Prime Minister of the Cook Islands, Rarotonga, 25 October 1991.
2.2.2. FORMER US TRUST TERRITORIES

The Forum had a minor role in assisting the Federated States of Micronesia (FSM) and the Republic of Marshall Islands (RMI) to conclude the Compact of Free Association arrangement. The Forum in 1991 fully supported the Micronesians' campaign to gain United Nations membership. The Forum made every effort to assist them, conscious that they would become new members of the Forum, thus making it a bigger organisation.

The Forum’s agenda on decolonisation had not touched the territories almost in fifteen years, except when considering the FSM’s application for observer status in 1980. In the 1985 Forum meeting the president of the FSM, Tosiwo Nakayama - in his capacity as an observer - was invited by the Forum Chairman to report to Heads of Government the status of negotiation with the US. He then reported that the US Senate was expected to approve the Compact of Free Association in September 1985. The President further asked the Forum to support the termination of the Trusteeship Agreement for the Trust Territory for the Pacific Islands. Nakayama suggested that the Forum could give support in two ways: it could include that support in the final Communique and members could give their support at the UN when the issue was raised. Led by Australia and PNG the Forum reached agreement to endorse the request. The final Communique stated:

Heads of Government noted that the peoples of Federated States of Micronesia, the Republic of Marshall Islands, and the Commonwealth of Northern Mariana Islands had exercised their right to self-determination in free and fair plebiscites observed by the United Nations. They looked forward to early approval of the termination of the Trusteeship Agreement over these territories by the United Nations in accordance with the express wishes of their peoples. They also looked forward to the conclusion of arrangements for the termination of the Trusteeship over the Republic of Palau.83

In 1986 Forum Island countries combined for the first time to give a joint viewpoint in the United Nations in support of ending the trusteeship over the FSM and the RMI. Initially the Melanesian states did not recognise the FSM and the RMI on the ground that the UN Security Council still had not voted on ending the trusteeship. The Soviet Union was at the beginning the biggest obstacle. Moscow had opposed terminating the trusteeship unless the strategic trust relationship between the US and both territories was officially terminated. The Soviets argued that otherwise the two could not be truly independent. Similarly, other metropolitan powers such as Britain, France, Japan had reservations. However, with the end of the cold war the Soviets’ policy over the issue changed. After reportedly receiving a guarantee from the US that no new military installations would be built on the islands, the Soviets voted.

in favour of admitting the two states to the UN. The United Kingdom, which also did not recognise the FSM and the RMI finally agreed to grant recognition to the two nations after having discussions in the post Forum dialogue at the 1991 Forum meeting in Pohnpei.

A statement on behalf of the South Pacific Forum countries at the UN\textsuperscript{84} was presented before the Trusteeship Council by the Vanuatu Ambassador, Robert van Lierop. Individual Forum state members of the UN also lobbied countries outside the region to support the trusteeship termination. The UN Security Council passed a resolution on 28 May 1986 and concluded that it was appropriate for the Trusteeship Agreement to be terminated. This indicates that the Forum had influence in this process. Jacob Nena, the Vice President of the FSM, acknowledged the Forum support. He regarded it as the main motive of his government in joining the Forum.\textsuperscript{85}

3. CONCLUSION

For almost one decade the Forum ignored decolonisation. This was, however, not because of lack of concern from the Forum leaders, but because the decolonisation process took place relatively smoothly - there were no obvious targets for those wanting the pace quickened or the settlements to be more just.

The original expectation was finally met from 1980. The Forum had slight engagement in Vanuatu, particularly in the final months before independence, and considerable involvement with New Caledonia to assert an effective international influence on France without immediate tangible results. The Forum had a minor role in the decolonisation process in other territories, such as French Polynesia and the Micronesian states north of the equator.

French Government policy has been positive for the last five years, particularly since the Matignon Accord was signed. Although decolonisation in New Caledonia has been slow and turbulent there are better prospects for the territory in 1998. The change has partly been due to the Forum's diplomacy in the previous years, in particular, the Forum's success in having the territory reinscribed at the UN and partly because of French policy, particularly under Rocard, which assisted 'the contending parties to find a solution between themselves rather [than] to

\textsuperscript{84}. The Forum Island countries represented at the UN at that time were Australia, New Zealand, Fiji, Papua New Guinea, the Solomon Islands, Western Samoa and Vanuatu.

\textsuperscript{85}. Interview with Jacob Nena, the Vice President of the FSM, Palikir, 4 October 1991.
impose a solution favourable to one or the other, as the two preceding administrations had sought to do'.

Thus, it can be said that the Forum’s diplomacy has been influential, particularly in putting more pressure on France to review its policy on New Caledonia. Apart from that, the Independence Front’s lobbying in various regional and international fora had also contributed significantly.

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86 Interview with John Trotter, Principal Advisor, South Pacific Branch, Department of Foreign Affairs and Trade, Canberra, 30 May 1991 (from mid-July 1991 becomes Australia’s Ambassador to Fiji and Permanent Representative to the Forum Secretariat).
CHAPTER IV

THE FORUM'S STRENGTH ON NUCLEAR MATTERS

This chapter will examine the nuclear issue, especially the French nuclear testing in the region and the South Pacific Nuclear Free Zone Treaty endorsed in 1985. Emphasis will be given to the original as well as the increased expectations of the Pacific leaders on the issue, then an assessment will be made of whether their expectations have been fulfilled. Discussion will be centred on what the Forum has done to address the issue. Other related nuclear matters such as nuclear waste disposal or dumping will not be surveyed in this chapter. Instead it will be examined together with the bigger and related topic - the environment - in chapter V.

1. NUCLEAR TESTING IN THE SOUTH PACIFIC

The French nuclear testing at Moruroa atoll, French Polynesia, started in 1966, before the Forum was created. Nuclear testing was an important issue which stimulated the Pacific Islanders to establish a forum other than South Pacific Commission where it was excluded from the agenda.

By the end of 1990, the French had exploded 167 atom bombs, 44 atmospheric (39 over Moruroa and 5 over Fangataufa), and 123 underground tests conducted between 1975-1990 (118 at Moruroa and 5 at Fangataufa). Due to the opposition of the Pacific Islanders, atmospheric testing ended in 1974 and was replaced with underground testing in 1975 and this continues with no sign of complete and permanent termination.

The French determination to sustain its nuclear testing program cannot be separated from

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1. This section will be strictly limited to the nuclear tests conducted by the French in Moruroa atoll and Fangata'ufa, French Polynesia. Some reasons underlie this concentration: first, its location is exactly in the South Pacific (south of the equator), secondly, the tests are still going on, and thirdly, it is the only testing programme that had been strongly opposed by the FICs.


3. The true spelling is MORUROA and not MURUROA as the French army mistakenly calls it.
French military policy. Three main reasons underlie its policy. First, France perceives itself as an independent middle power, therefore, the development of an effective nuclear deterrent is a central element in French defence policy. Secondly, French Polynesia is termed by France as overseas territory and according to French law, overseas territories are treated as part of France and not as colonies or dependencies. That is why the French government always argue that the tests are being undertaken on French soil and should not be the business of other states. Any objections to the tests by some countries were seen as interfering in French internal affairs. For Pacific independent states, however, French Polynesia is seen as a colony, especially after mid-1960 when France started to conduct its nuclear tests. To conduct the tests in a colony, as many Islanders argue, means a violation of the important international principle stipulated in the UN Charter: the right of colonised peoples to self-determination. France has also failed to respond to a request by the local Territorial Assembly that tests not be carried out in French Polynesia. And thirdly, the French government contends that the tests are safe. It claims that the level of radiation released into the ocean or the atmosphere is harmless.

The Tuamotu Group in French Polynesia was chosen as a nuclear test site in 1957 after Algeria gained independence. For France, the Sahara had been ideal because it was remote from populated areas, it had an airport capable of handling large transport planes and it was relatively close to France. After Algeria’s independence the Tuamotu Group was the obvious replacement, and it was chosen without prior consultation with the inhabitants.

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4. Interview with George Martins, Deputy Head of Mission, French Embassy, Wellington after his presentation entitled 'The Role of France in the South Pacific' in the South Pacific Conference, held by the University of Otago’s Foreign Policy School, Dunedin, New Zealand, 11-14 May 1990.

5. However, France is fortunate, because French Polynesia is, in fact, not included on the list of the UN Special Committee on the Implementation of the Declaration on Decolonisation (Committee of 24). South Pacific Territories (south of equator) included on the list are: American Samoa, New Caledonia, Pitcairn, Tokelau, while the Trust Territory of the Pacific Islands falls within the responsibility of the Security Council. See The Monthly Record, Canberra, August 1990, p.558.

6. Before that period, the native Polynesian people never felt that they were colonised, because the native people and the French lived harmoniously. After the test programme started a lot of changes happened in all ways of life, the socio-culture, economic system, land ownership, etc. This information is from by Bengt Danielson, a historian as well as anthropologist who has lived there for more than 40 years. Interviewed by the author in his working room in Papeete, French Polynesia, 21 October 1991.


of French Polynesia.\textsuperscript{9} Protests through the local Territorial Assembly were fruitless, because ‘the Territorial Assembly has no power on the decision making process, all are made in Paris by the central government’.\textsuperscript{10}

There are also other grounds for objecting to the tests, of course. The Islanders believed that the tests pose a threat to the health and livelihood of the people in the whole South Pacific region. At the first Forum meeting in 1971, the heads of government:

expressed their concern at the potential hazards that atmospheric tests pose to health and safety and to marine life which is a vital element in the Islands’ subsistence and economy and addressed an urgent appeal to the Government of France that the current test series should be the last in the Pacific areas.\textsuperscript{11}

The tests conducted underground from 1975 were in common sense less risky than atmospheric tests conducted previously. The obvious danger of radioactive fall-out had been replaced by the far less visible and seemingly more remote risk of radioactive leakage through cracks in the underwater base of the atoll into the surrounding ocean.\textsuperscript{12} And if such leaks were to occur, these could contaminate the fish and other animate and inanimate material which would then be dispersed by ocean currents and migration patterns to islands thousand of kilometres away.

France has stated on many occasions that the tests do not endanger the area, although several accidents have, in fact, already happened. For example in 1979 two French workers were killed in an explosion in an underground laboratory. Less than three weeks later, part of Moruroa collapsed in the wake of a nuclear test explosion, causing a tidal wave. In March 1983 a hurricane was reported to have swept nuclear waste stored on Moruroa into the lagoon of the atoll and then out into the Pacific.\textsuperscript{13} France has denied reports in the international press that there has been an increased incidence of cancer in the local population. The French Defence Minister, Charles Hemu, in July 1984, after receiving the Report by five scientists from New Zealand, Australia and Papua New Guinea who visited the atoll in 1983, claimed in a press

\begin{itemize}
\item \textsuperscript{10} Interview with Bengt Danielsson, Papeete, French Polynesia, 21 October 1991.
\item \textsuperscript{11} See The Forum Communique, 1971, p.1.
\item \textsuperscript{13} See F.M. Bunge and M.W. Cooke, 1984, op.cit., p. 494.
\end{itemize}
release that 'the main findings of distinguished foreign scientists, who had made a thorough, independent investigation at Moruroa, were that the tests are totally harmless for health of the Polynesians and the other peoples living in the Pacific'.\textsuperscript{14} In fact, the only way to determine 'whether cracks existed in the underwater base of Moruroa atoll would be to send deep-sea divers and scientists to the island, and allow them to inspect the whole contours of the underwater island at considerable depths'.\textsuperscript{15} But, such independent research has always been refused by France.

Nevertheless, there has been research conducted by several scientific teams. The first was in 1982 led by Haroun Tazieff, a French vulcanologist. His team consisted of six people, all French. The team concluded that there was little risk of radioactive contamination from the underground tests at Moruroa. When the team's findings were questioned, one of its members, Professor Lambert, replied, 'I regret that no researches have been undertaken in view of tracing the existence in the ground water and the subsoil of radioactive elements'.\textsuperscript{16} The second group of scientists to visit the atoll in 1983 were from Australia, New Zealand and Papua New Guinea.\textsuperscript{17} Again, their finding suggests that radiation levels both in the Moruroa base accommodation area and in the inhabited areas of French Polynesia were lower than the world average. Their report, later known as the Atkinson Report and published in 1985, also found that 'cancer statistics for the region did not reveal high rates of types of cancer that might be associated with excessive exposure to radioactive fallout'.\textsuperscript{18} The report stated further that as a result of underground testing the structural integrity of the upper section of the coral atoll was impaired and although there was no evidence of short term leakage, it could occur within a period of a thousand years.\textsuperscript{19}

The results of the above missions have at least four weaknesses. As Stephen Bates found: 'first, their findings concerning the incidence of fallout-related cancer were based on statistics supplied by the French military. Secondly, the team was not allowed to take samples of the sediments from the lagoon itself. Thirdly, no diving was done. And fourthly, only surface

\textsuperscript{14} See B. and M. Danielsson, 1986, op.cit., p.318. Emphasis is mine.

\textsuperscript{15} S. Bates, 1990, op.cit., p.37.


\textsuperscript{17} Debates on responding to the French invitation is examined in the next pages.


samples of ocean water were taken'.

Dissatisfied with two findings, the third team led by Jacque Cousteau conducted further research in 1987. Cousteau and his team visited Moruroa for a five days 'scientific and cinematographic mission'. The team observed a nuclear test and took samples of sediment, water and plankton from the lagoon. They made dives with aqualungs and in a small submarine they filmed underwater to a depth of 230 meters around the base of the atoll. Again, 'the report was severely criticised for not investigating at the depths where the tests occur. In his report to the French government Cousteau stated that there was no evidence at present of dangerous radioactivity in the area'.

He went on to say, however, that the atoll had been deeply cracked and warned that long term risks were difficult to evaluate. Following this research, various computer models were developed. Two New Zealand scientists, Dr. Mike O'Sullivan and Dr. Manfred Hochstein, have made extensive studies since 1985 to show that radioactive contamination of the environment would take place within ten to one hundred years. The most recent study was in September 1990. Cousteau's Report was re-evaluated by the US scientist, Norm Buske, who confirmed that 'water in Moruroa is contaminated with cesium 134 and cesium 137 leaking from the underground tests'.

Challenging the claim that the tests are not harmful, Barak Sope, the former Secretary General of the Vanua'aku Pati and the then leader of the Melanesian Progressive Party, said in a short statement, 'I will only believe the French Scientists that their bomb testing is safe if they decide to move their test site at Moruroa to Paris'. His argument is certainly emotive, and did not take into account: how much this would cost the French government to move this multimillion dollar program, what effect this would have on the French military personnel who work there, and more importantly what impact this would have on French Polynesia itself. Are the local people economically and socially ready to accept that argument if France later decides

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21. Ibid.


23. For details of the study, see Greenpeace's *Chronology*, 1990, op.cit., p. 83.


to shift? When asked about the territory's readiness, Jean Juventin, the mayor of Tahiti, through his interpreter pointed out:

if the French in the future decides to stop the testing programme, we do not want to be left so quickly. The decision to stop the test will affect the social and economic condition of the territory. We, the local people, will demand the French government's responsibility as a colonial power. We will suggest the French government take some measures not to disadvantage us. We will ask the government to transfer the testing programme into other nuclear related programmes for peaceful usage, such as for energy research. We will also ask the French government to build more infrastructure such as roads, hospitals, schools and so on before they leave us.26

Also, the nuclear tests have some connection with French colonialism in the Pacific. France certainly does not want to leave French Polynesia and grant independence to it quickly. This is, of course, a very complex problem and its solution would need time. A number of questions about the state of Moruroa still remain unanswered. A long term, independent, and thorough examination of the environmental impact of the testing programme is needed.

It is beyond the scope of the thesis to assess that debate in detail. That background is intended just to help us understand why the Pacific Islanders launched continuing protests against French nuclear testing.

2. PROTESTS AGAINST THE TESTS

2.1. Conducted by Various Groups

Protests against nuclear tests have been conducted extensively from the 1970s by various groups in the region such as university students, unions and church leaders.27 Their activities have played an important role in shaping the anti-French attitudes of governments in the South Pacific. Their influence has not been only through direct political pressure but it has also been due to the fact that 'many of those early protesters later took up important positions within [their governments]'.28 For example, Francis Saemala, the then President of the Students' Association of the University of South Pacific, who declared in 1970 in Suva that his Association would write to all South Pacific leaders urging them to take a stand against further radioactive poisoning of the region's atmosphere, was later the Secretary of the Solomon Islands Department of Foreign Affairs and Permanent Representative of the Solomon Islands to the UN. Barak Sope, 


who was an anti-nuclear activist when he was a student, was later the Secretary of the Department of Foreign Affairs in the Vanuatu government. Other politicians who have close affiliation with the anti-nuclear movement are Father Walter Lini of Vanuatu and Father John Momis of Papua New Guinea.29

2.2. Protests by the Forum

It was not until its third meeting in Suva in 1972 that the nuclear issue was raised.30 It was the first time that the Pacific peoples expressed their deep concern over the tests in an international representative body. Thus, in terms of an arena for political discussion, particularly of nuclear issues, one can say that the Forum met Islanders’ expectation. But more than that, the Pacific Islanders have used the Forum to put serious pressure on the French Government to stop its nuclear testing programmes in French Polynesia.

In the period between 1972 and 1975, the nuclear testing issue was discussed intensively without any resolutions, but in 1976 for the first time the Forum adopted a resolution against testing. The issue disappeared from the Forum agenda during the next four years. There were at least three reasons for this. First, because the Pacific leaders wanted to spend more time on other more fruitful matters, such as economic and functional cooperation. Secondly, the tests had gone underground since 1974. And thirdly, the defeat of both the Australian Labor and New Zealand Labour governments meant that those two countries were less inclined to be critical of France. In 1981 and 1983 nuclear testing was discussed again and the Forum adopted resolutions urging the French government to stop its program. Due to the negative response from the French government, however, the Pacific leaders became less enthusiastic about putting more pressure on France. The issue was discussed further in 1984, 1985 and 1989 but no resolutions were passed.

In 1972 members were unanimous in expressing their deep concern that the French Government should have failed so signally to recognise the wishes of the peoples of the South Pacific. On that occasion they also exchanged views as to the ways and means by which they could pursue their common objective of bringing to an end all nuclear weapons tests in all environments by any country. As a follow-up to that Forum meeting, co-sponsored by Australia,

29 Ibid., p. 39.

30 Although it was raised on the formal agenda at the third meeting in Suva, it had actually been proposed briefly in the first meeting in Wellington.
New Zealand and Fiji and supported by other Forum members, the First Committee of the General Assembly in November 1972 adopted a resolution which called for a halt to all atmospheric testing.  

In its fourth meeting in 1973, the Forum members again expressed their deep concern on the issue, but that time it took the 'unusual action of approving and releasing the declaration on its first morning. The texts were cabled to the French Government.' This stronger stand was actually sponsored by the Australian Prime Minister, Gough Whitlam, with the idea in mind that negotiations were proceeding in Paris on the subject between Australia-New Zealand and France. These negotiations were in fact the French Government's response to Australia that had sent a note to the French Government stating that such testing constituted a breach of international law. The Australian Government also told the Forum members that if their negotiations with France failed, then the Forum should take the matter before the International Court of Justice in the Hague. All the Forum members supported the proposal, although they predicted that France would not comply with the decision of the Court. As the New Zealand's Prime Minister, Norman Kirk, said:

the International Court of Justice had no way of enforcing its decisions and that it would be largely up to France to decide whether to defy the Court or to suspend the test.

Although that approach was not completely successful, at least it affected French policy. A few months later in August 1973 France announced that it would cease its atmospheric tests and begin testing underground. Thus, it can be seen as the first Forum's success in putting pressure on France, although at a minimum level.

In its fifth meeting in 1974 the Forum reiterated its opposition against French nuclear tests. The discussion was similar to that of the previous year, but more attention was given to whether the Forum should single out France in its Final Communique or should also mention China. The members finally agreed on the wording of the Final Communique which stated

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32. Sun-Pictorial, Melbourne, 19 April 1973. A cutting from this newspaper is kept in the Parliamentary Library, Canberra. Unfortunately page numbers of some cuttings (as seen in the next footnotes) are not known.
among other things:

Members once again called on governments, and in particular the Government of France, the only government testing in the South Pacific, to heed the views of the Forum, the calls of the United Nations General Assembly and other international bodies and obligations under international law by bringing about an immediate halt to all tests.37

At its sixth meeting in 1975 in Nuku’alofa, Tonga, the members restated their strong opposition to the tests and a proposal by the New Zealand government to establish a nuclear free zone in the South Pacific as a means of achieving that aim was added.38 From 1976 until 1980 the issue was not discussed. This was due to the French negative response and the defeat of the Australian Labor and New Zealand Labour governments in 1976. Thus, this implies strong influence by Australia - New Zealand and France on the issue. The Pacific leaders then wanted to spend more of their time discussing other issues which had immediate benefits for the Pacific peoples. In 1981 the issue reappeared on the agenda. It was proposed by the Prime Minister of Tuvalu, Toaripi Lauti and supported firstly by the Cook Islands, then by all Forum members. In convincing the other members, Lauti noted that ‘the question had been brought to his attention by a Christian Women’s group in the Pacific’.39 The Forum, then, reaffirmed its condemnation of the tests and even, for a second time, succeeded in adopting the resolution that ‘urges France immediately to cease its nuclear weapons testing programme and provide full details of the effects of its past testing activities on Pacific people and environment’.40 Also at that meeting, the Prime Minister of Vanuatu, Walter Lini, proposed that the Forum should consider declaring a nuclear free zone for the Pacific. The shift to Islanders’ initiative on this issue was significant to the development of the Forum.

Similar resolutions were produced by the next Forum meeting in 1982, but more emphasis was given in the context of the development of a South Pacific Regional Environment Programme. After struggling hard to condemn the French Government on the issue, the Forum in 1983 finally received a positive response from the French Government. France invited the Forum members to visit the testing site at Moruroa atoll and conduct scientific research on the

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36. Proposals by many delegates to name China were dropped after they were opposed by the Australian Minister of Foreign Affairs on the grounds that China had been conducting the atmospheric tests in its homeland, China did not recognise the International Court, and beside Australia feared damaging her foreign relations with China (Australia had just established diplomatic relations with China).


38. Details of the New Zealand proposal is surveyed in the next section.


effects of the tests both on the health of the people and the environment. It was the first positive gesture by France in response to the Pacific peoples’ demands.

Thus, if the Pacific Islanders’ aim was to put pressure on the French government in order to stop its nuclear testing, then this was unsuccessful, although the French response to invite the Forum members to the test site can be regarded as an achievement of the Forum. As Prime Minister Lini commented on the French government’s invitation:

It was therefore appropriate that the Forum discuss this matter and develop a united stance. Unless the Forum could tackle basic issues such as this, past resolutions would be meaningless and the value of the Forum addressing such issues could be called in question. Previous Forum resolutions on this matter had proved ineffective since no apparent notice had been taken of the Forum’s views by France.41

A similar observation was also made by Tofilau Eti Alesana, the Prime Minister of Western Samoa, who noted ‘that since 1971 the South Pacific countries had voiced their objections to France about its nuclear testing program but the French had ignored their protests’.42

Although the Forum resolutions were ineffective, the adoption of the resolutions themselves can be regarded as an achievement of the Forum. The French invitation to visit the test site came only after ten years of intensive lobbying. When the French ignored the protests the Forum leaders tried to press the French government more strongly through other methods: the creation of a Nuclear Free Zone. This became the subject of discussion in the next Forum meetings.

Although the Pacific leaders worked hard to realize their expectations on this issue, they were not bold enough when they faced a real challenge, for example, when France invited the Forum members to visit the test site. That was, in fact, a positive development from France, but ironically the Forum members did not respond spontaneously with one voice to that invitation. Their responses to the French invitation can be classified into three groups. In the first group were members who would accept the invitation regardless of whether they had scientists, expertise or not. Included in this group were New Zealand and Papua New Guinea who responded directly, plus others such as Niue, Nauru, the Cook Islands, Tuvalu, and the Solomon Islands, who did not have expertise but supported other members who had scientists to send a mission. The second group were those who stated directly that they did not accept the invitation for various reasons. Included in this group was Fiji due to the lack of appropriate trained

41. Summary Record of the Fourteenth SPF Meeting, Canberra, 1983, p.15.

42. Ibid., p.18.
personnel; Vanuatu which said that to accept the invitation meant being politically wrong and environmentally dangerous. Vanuatu's stand, as a report stated, was based on moral considerations rather than scientific ones. The third group was the rest who did not have a clear position, for example Tonga and Western Samoa who observed that invitations had been given on a bilateral basis, and not to the Forum as an organisation. As they observed, it was up to the individual government whether to accept or not. Kiribati said nothing, whereas Australia which always strongly opposed such tests and sponsored protests in various ways in previous meeting was ambivalent. Australia's concern, as stated by its Foreign Minister, Bill Hayden, was:

if the invitation was accepted and it was assessed that there were no environmental problems of an immediate nature, though there might well be a number of long term environmental concerns, some would assume that was the end of the matter.43

The different expectations between the Australia-New Zealand and the Pacific Islanders were predicted as early as 1972 when the members of Against Testing on Moruroa (ATOM), the Suva based anti-test body, said after the second Forum meeting in 1972 that 'for Australia and New Zealand, protest was largely for political reasons and ... not particularly concerned about health hazards to South Pacific people'.44 In Australia's view the major point of concern was that nuclear testing was associated with the arms race, and the international instability resulting from it. Nevertheless, Australia's stand could also be viewed as an acceptance of the democratic system in the Forum and Australia's attitude of not wanting to dominate the proceedings. This was proven when its Foreign Minister later offered to have the matter discussed in the Forum and to wait for the Forum to decide on the issue. The Forum finally agreed that it was a bilateral issue and up to individual governments whether to accept or not. The Prime Minister of Papua New Guinea, Michael Somare, as the official spokesman for the 14th Forum meeting in Canberra in 1983, told press representatives that 'there was a general consensus supporting the sending of scientists to Moruroa to monitor the nuclear testing'.45 Australia, New Zealand and Papua New Guinea did in the end send a scientific mission. The mission did not represent the Forum, but the sponsoring countries promised that the findings would be made available to the public.

However, the experience of confronting the issue of French nuclear testing had a positive impact on the Pacific leaders. They finally became more united in dealing with issues of common concern. As the Deputy Prime Minister of Australia, Doug Anthony, stated 'there was

43. Ibid., p.12.
no other issue which united the Pacific countries more than that of nuclear testing and dumping'. As a group, they had a strong voice on common issues in other regional groupings such as in the South Pacific Conference. Beside, there were also other issues on which they later became more unified, for instance on decolonisation (see the previous Chapter). Before the Forum meeting in Canberra in 1983 Anthony's above statement was true, but after that period the Pacific Islanders became less unified particularly in their attitudes towards the creation of a nuclear free zone. Nevertheless, the Pacific leaders still had one voice in opposing French nuclear testing in the region, though the degree of their opposition varied. The Melanesian states' opposition was stronger than that of the Polynesians. The Polynesian leaders such as Tom Davis opposed the testing only because he wanted to join the Forum leaders in protest. Unity was more important than personal conviction. Davis confessed that he personally disagreed with the Forum's view due to the lack of evidence of the danger of the underground tests. He said:

> Forum members still hold the view that nuclear testing should be done elsewhere. There are claims that levels of radiation in water are high, but I know of no verified evidence of this. I find it irksome to be accused of being pro-nuclear because I am unable to find concrete evidence to fight the problem. I have openly declared that I will fight if the evidence is there to support it. ... The evidence so far suggests that the nuclear tests are not producing higher levels of radiation than background.47

In the period between 1983-1985 the Forum's leaders concentrated their efforts on the proposed Rarotonga treaty. From then until 1991 the leaders never failed to mention their continued total opposition towards the tests in the Forum communiques, except in 1990 when the Island leaders devoted much of their time discussing the Johnston atoll issue.

3. THE SOUTH PACIFIC NUCLEAR FREE ZONE TREATY

Beside the Islanders' concern with the French nuclear tests, the Forum discussed in detail other related matters such as the United States' nuclear testing programme north of the equator and the possibility of other nuclear states using the South Pacific region for nuclear purposes. The Forum meeting in Port Vila, Vanuatu, in 1981, for example, adopted a resolution to 'urge the United States and Japan to store or dump their nuclear waste in their home countries rather than storing or dumping them in the Pacific'.48


3.1. About the Proposal

In 1975, for the first time, the Forum proposed the possibility of establishing a nuclear free zone in the South Pacific region (hereafter referred to as SPNFZ). The proposal was initially raised by the New Zealand's Government after 1972 when the Labour Party took power. It was supported by the Forum members in 1975 and gained the United Nations' support on 11 December 1975. This initiative emerged in the context of widespread regional concern about fallout from the French atmospheric nuclear tests at Moruroa and New Zealand concerns about superpower naval rivalry in the Indian Ocean. This first initiative was vigorously opposed by the United States and less publicly opposed by the Australian Labor Government. The primary US concern was the zone's potential restriction of the transit of nuclear armed forces, both within territorial waters and on the high seas.

The issue then disappeared for the next four years, because of the election in both New Zealand and Australia in late 1975 of conservative governments that opposed implementation of the concept on the grounds that it was impractical and likely to adversely affect ANZUS obligations. Both the Australian Prime Minister, Fraser, and the New Zealand Prime Minister, Muldoon, at the mini-Forum meeting in Rotorua, March 1976, expressed the opinion that 'strict adherence to the principle of a nuclear free zone in the South Pacific would be incompatible with both countries' obligation under the ANZUS defence pact'. Fraser later responded to journalists, 'you can have ideals and aspirations on foreign policy which are worth aiming for, a noble objective, but which cannot in the current world be practical objectives'. The Forum countries at that mini-Forum meeting took a more moderate stand by adopting a resolution encouraging world disarmament, in particular to stop nuclear weapons testing in the Pacific and to prevent the establishment of nuclear weapons bases in the area. Although tough debates had characterised that meeting, the Forum, at last, endorsed the idea of a South Pacific nuclear free zone. The Forum members also finally supported the principle of freedom of the high seas, a principle which became a major obstacle during the negotiations. The delegates accepted the idea that trying to prevent ships and submarines carrying nuclear weapons from using the South


50. The New Zealand proposal was explored in detail by G.E. Fry, 'Australia, New Zealand and Arms Control in the Pacific Region', in Desmond Ball (ed.), The Anzac Connection, (Sydney: George Allen & Unwin, 1985), especially pp.101-09.

51. 'Australian Votes against Nuclear Weapons Ban', The Sydney Morning Herald, 10 March 1976, see also 'Fraser-Muldoon Talks after Win', The Canberra Times, 10 March 1976.

Pacific was wasted effort. As Ratu Mara recognised 'it would have been impossible to enforce a wider ban - particularly where it affected submarines - because of the huge area of the Pacific'. It was not until in 1981 that the concept was considered again at the Forum level. It was the Deputy Prime Minister of Vanuatu, Fred Timakata, who first observed at the 1981 Forum meeting that the Forum should also consider declaring a nuclear free zone for the Pacific. Timakata referred to the visit by a team of Japanese scientists who had set out to seek the views of Pacific Island countries about the Japanese proposal to dump nuclear waste in the Pacific ocean. All members supported Vanuatu's proposal to declare the zone and a resolution was adopted. But, again at that meeting, both Australia and New Zealand stated that they would have difficulties with the nuclear free zone concept, in particular if such a zone restricted the movement of the US nuclear powered vessels.

After the concept was not formally discussed by the Forum leaders, various groups such as peace movements and indigenous peoples' groups in the region, particularly in Melanesian states, lobbied to keep the issue alive. These groups continued to try to persuade their respective governments to support such a zone. For example, during international conferences in 1975, 1978, and 1980, convened by the international Nuclear Free and Independent Pacific network, the People's Charter for a Nuclear Free and Independent Pacific was drafted and amended. The Charter, as M. Hamel-Green noted, 'called for establishing a comprehensive nuclear-free zone, decolonisation of remaining territories, and recognition of indigenous peoples' rights throughout the Pacific region'. Similarly in Australia, the Australian Council of Churches supported the nuclear free zone concept. The Council, after hearing the Australian Government's opposition toward the concept, sent a telegram to the Australian Minister of Foreign Affairs stating:

We are alarmed at your reported opposition to a nuclear-free zone in the South Pacific. Anxious to present to you the concern of the people and churches in the area for a

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54. In the 1976 annual Forum Meeting, however, Fiji, Western Samoa and Papua New Guinea wished to proceed with negotiations, but because of the Forum's consensus principle, the issue was not discussed in the absence of support from Australia and New Zealand. Also in 1976, two mini-Forum meetings were held before and after the annual Forum meeting in Nauru in 1976. The first was in March 1976 in Rotorua, New Zealand, and the second was in October 1976 in Suva, Fiji. The main agenda item of the first meeting was the 'nuclear free zone' concept and at the second meeting, 'Law of the Sea'.


nuclear-free Pacific. Urge your immediate consideration of your newly stated policy.  

In the late 1970s and early 1980s the concept reappeared. The move, at that time, was encouraged by the Nuclear Free and Independent Pacific network's campaign, the New Zealand Labour government and some Melanesian states such as Papua New Guinea, the Solomon Islands, and Vanuatu. The Melanesian states' anti-nuclear policy was in various forms, for example the newly independent Vanuatu advocated a comprehensive anti-nuclear policy; Papua New Guinea in 1981 adopted a foreign policy proposing an Islands-only regional organisation and the South Pacific Nuclear Free Zone; and also in 1981, the Solomon Islands' foreign policy under Mamaloni actively promoted the same concept. In the northern hemisphere Belau adopted a nuclear-free constitution in 1979-1980 banning both the stationing and the transit of nuclear weapons within its territory; and the Federated States of Micronesia in 1980 adopted a constitution containing an anti-nuclear provision. Whereas in Australia in 1983 the move was encouraged by domestic anti-nuclear sentiment and by the Australian government's desire 'both to intensify pressure on France over its continued testing at Moruroa atoll and to give some tangible backing to the Hawke Government's rhetoric on disarmament'. More importantly, various political parties, church organisations and trade unions influenced their governments. The newly elected Hawke Labor government officially proposed the concept at the annual Forum meeting held in Canberra in 1983. In Australia's view, the Forum's stand on nuclear testing had made little impact outside the region and little progress had been made over the last few years. In the next Forum meeting in Tuvalu in 1984 the discussion at last resulted in an agreement for the establishment of the zone. Directed by the Forum meeting in Tuvalu that year, a working group of officials was set up and its five meetings during the one year period largely thrashed out the compromise treaty put to the next Forum in 1985. During those meetings, it 'undertook a complete examination of the full range of substantive legal and other issues involved in establishing the zone in the region'. In the 1985 Forum meeting in Rarotonga the South


59. The Pacific churches were active not only in the Pacific Conference of Churches which met annually and took a positive stance on the issue, but also were very aggressive in putting pressure on each of their governments. Confirmed by the Author's interview with Pastor Beka Kosieng of the Evangelical Lutheran Church of PNG in Canberra 19 February 1991, and Rt. Rev. Ellison Pago, Solomon Islander, Church of Melanesia, in Canberra 20 February 1991. Both were representatives of their Church organisations to the Seventh Assembly of the World Council of Churches, held in Canberra from 7 to 20 February 1991.

60. News Release by the Department of Foreign Affairs, 11 April 1985.
Pacific Nuclear Free Zone Treaty was finally endorsed and opened for signature on 6 August, 40 years to the day since the atomic destruction of Hiroshima.

3.2. The Content of the Treaty

The Treaty partially reflects the Treaty of Tlatelolco providing for a nuclear weapon free zone (NWFZ) for Latin America and the Caribbean. It is the second treaty requiring military denuclearization of an inhabited area. The treaty, later called the Rarotonga Treaty, bars regional states from developing, manufacturing, testing, acquiring, owning or using nuclear explosive devices. The treaty has three protocols dealing with undertakings by nuclear weapon states. Protocol I obligates the metropolitan powers of the region - France, the United Kingdom, and the United States - to apply the treaty's basic provisions to territories within the zonal area for which they are internationally responsible. Ratification of Protocol II requires those three states, and also China and the former U.S.S.R. not to contribute to any act which would violate the treaty or its protocols, and not to use, or threaten to use, any nuclear explosive device against treaty parties, or against any zonal territory for which a state that has become a party of Protocol I is internationally responsible. Protocol III, which is also open to all nations possessing nuclear arms, provides that ratifying states pledge not to test any nuclear explosive device anywhere within the South Pacific free zone. In order to encourage the nuclear powers to sign the relevant protocols the South Pacific Forum in January 1986 sent a mission to France, the UK, the USA, the USSR and China. The mission spent a long time in France urging the government to sign the relevant protocol.

Leaders of eight independent states (Australia, New Zealand, Fiji, Western Samoa, Tuvalu, Kiribati, Niue, and the Cook Islands) signed the treaty before they left Rarotonga and another five (Vanuatu, Papua New Guinea, the Solomon Islands, Nauru and Tonga) promised to sign the document. It was agreed that the treaty would 'come into force when eight countries ratified the agreement' (article 15 of the treaty). The above eight states were also the

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41. Formerly the word 'adopted' was offered by Australia and New Zealand, but Vanuatu had a strong reservation to the draft treaty and objected. The Chairman of the Forum meeting explained that 'adoption' would mean that those who wished to sign could do so now, and those who did not could do so at a later date. Papua New Guinea introduced the word 'endorsed' which meant that this would enable member countries with strong reservations time to consider and study carefully the text before they added their signatures. Finally, consensus could be reached and the word 'endorsed' was used instead of 'adopted'. See Summary Record of the Sixteenth SPF Meeting, Rarotonga, 1985, pp.38-39.

42. For details of similarities and differences between the Rarotonga and Tlatelolco treaties, see Paul F. Power, 'The South Pacific Nuclear Weapon Free Zone' in Pacific Affairs, Vol 59 No.3 Fall 1986, pp. 455-75.

43. For the full text of the Treaty, see Appendix C.3.
first group of states to ratify the document, thus it came into force on 11 December 1986. Fiji was the first government to ratify (4 October 1985), while Australia was the eighth (11 December 1986). As of December 1991, eleven states had ratified (eight states as mentioned above plus Papua New Guinea, Nauru, and the Solomon Islands - see Table 7). Vanuatu is the only state which from the time of the treaty's approval had expressed its wish not to sign. Father Lini believed 'that Vanuatu was forced to agree to its formal adoption because of the tradition of consensus decision-making at the Forum. Sometimes, consensus is used only to get what some members of the Forum want'.

In his view, the treaty does not go far enough. Together with the Solomon Islands government, Vanuatu strongly attacked the lack of comprehensiveness in the treaty. Vanuatu's radical stance is consistent with its 1982 declaration that it would be a nuclear free country. Also until recently Tonga has not signed. Unlike Vanuatu, however, it considered that the zone went too far. Tonga's stance was a result of its position which had led to its receiving substantial increases in economic and military aid from the ANZUS states during 1970s and early 1980s. Another reason was that Tonga became the first independent Island state to accept visits by nuclear warships. In the Tongan government's view, the US should have the right to store and station nuclear weapons in South Pacific countries, especially in wartime. The Federated States of Micronesia and the Marshall Islands which joined the Forum in 1987 have not yet indicated their intention about signing and ratifying the treaty due to the fact that their territories are not affected by the Treaty's boundaries (see Map 4). In addition, the treaty would be in conflict with their defence commitments to the US under their Compact of Free Association.

3.3. Australian and New Zealand Attitude

The attitude of both the Australian and New Zealand governments toward the development of a SPNFZ has been crucial in determining its future. The lack of support from Australia in 1975 and the conservative governments that took power in Australia and New Zealand in late 1975 were the primary obstacles to its development. Beside, there was certainly pressure from the United States on both Australia and New Zealand. The 1983 proposal was accepted quickly, because, first, the concept was proposed by Australia, the biggest country in the region. No one would deny that Australia used various channels to persuade other Forum members. Secondly, Australia's proposal was presented in a manner unlikely to create undue

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### TABLE 7

**STATUS OF RAROTONGA TREATY AND ITS PROTOCOLS**  
(as of December 1991)

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### Notes:

1. * The Marshall Islands and FSM are not obliged to sign the treaty due to the treaty’s boundary which does not cover their territories (for details see the full text in Chapter IV).

2. n/e: not eligible to sign

3. Protocol I obliges metropolitan countries to observe the terms of the treaty in their Pacific territories; Protocol II obliges all nuclear powers not to contribute to any act which would violate the treaty and its Protocols and not to use any nuclear explosive devices against the treaty parties; and Protocol III obliges all nuclear powers to provide non-testing guarantees.

### Sources:

Various Documents from the Forum Secretariat, Fiji and Department of Foreign Affairs and Trade, Canberra.
MAP 4
ZONE OF APPLICATION OF THE TREATY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA
concern on the part of the United States, thus reducing outside pressures. The Australians argued that the concept would contain provisions which did not seek to ban transit or port calls, and guaranteed that existing security arrangements would not be affected. And finally, between 1975-1983 the region made substantial political progress. During that period five more Island countries gained independence: Papua New Guinea, the Solomon Islands, Tuvalu, Kiribati, and Vanuatu. And more than that, some of those newly independent states, particularly the Melanesian group, had a strong voice in opposing nuclear tests and on other related nuclear issues.

Although nuclear issues have been regarded as uniting the Forum members, their expectations in establishing the zone in the region varied. Two groups could be seen, namely a group of Melanesian states and, to a lesser extent, New Zealand, plus domestic 'peace movements' both in Australia and New Zealand. The first group wanted a more comprehensive denuclearization of the region. The second group was sponsored by Australia and supported by Polynesian states that did not expect the zone to be an absolute ban on all nuclear activities. The second group, particularly Australia, aimed to protect the US interests. Australia's commitment under the ANZUS Alliance and Hawke's foreign policy which continued to maintain all existing forms of Australian nuclear cooperation with the United States, and also its commitment to continue uranium mining were other reasons underlying Australia's stance on the nuclear free zone concept.

At that time, Australia had confronted opposing strong regional and domestic pressures: whether it could participate in a nuclear free zone arrangement which could affect its foreign and

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65. There are six criteria for the establishment of nuclear weapons free zones as agreed by the United Nations Group of Experts in 1975. These are that the initiative should (1) come from within the region, (2) be supported by all states of the area and not upset the existing security arrangements, (3) be supported by nuclear weapons states, (4) be capable of verification, (5) respect international law in relation to high seas, straits for international navigation and international airspace, and (6) be developed, in its specific provisions, only by the states of the region. For details see, New Zealand Ministry of Foreign Affairs, Disarmament and Arms Control, Information Bulletin No.3, October 1982, p.8, also quoted by G.E. Fry, 1983, op.cit., p.28.

66. The US interests on nuclear activity in the region, as Hamel-Green summarises, include six broad categories: (a) permanent bases for nuclear forces and storage of nuclear weapons (in Guam); (b) frequent transit of nuclear-armed or nuclear-capable naval and air forces across South Pacific waters, antisubmarine warfare activities, and deployment of long-range sea-launched cruise missiles for counterforce purposes; (c) network of nuclear-weapon-related communications, intelligence, command, control, navigation, and scientific bases in Micronesia (Guam and Kwajalein), Australia and New Zealand; (d) missile, antisatellite, and strategic defence initiative testing at Kwajalein; (e) disposal of nuclear and chemical-weapon hazardous waste in Marshall Islands and Johnston Island; and (f) involvement in military alliance (ANZUS) with regional states (Australia and New Zealand). See Hamel-Green, 1991, op.cit., pp.62-3. Details of the US nuclear presence in the region can be found in P. Hayes, L. Zarsky, and W. Bello, American Lake: Nuclear Peril in the Pacific, (Melbourne: Penguin Books, 1986), pp.145-67 and W.M. Arkin and R.W. Fieldhouse, Nuclear Battlefields: Global Links in the Arms Race, (Cambridge: Ballinger, 1985), pp. 117-29, 214-49. For arguments, see J. Ravenhill, (ed.), No Longer An American Lake?, (Sydney: Allen & Unwin, 1989).
defence policy and would threaten its relationship with the US, or stay out of any arrangement with the risk of losing regional influence. Again, that was a further reason why Australia from the early 1980s took a very active role in formulating the concept rather than relying on New Zealand’s and the Melanesian states’ formulation which might contain elements that would threaten US and ANZUS nuclear and strategic policies. Evidence that Australia’s initiative was serving US interests can be found in some provisions of the treaty itself. For example, (a) it leaves to individual governments whether or not to permit nuclear ships and nuclear airplane visits to their ports and airfields (article 5 paragraph 2), thus it gives freedom of movement to the US nuclear vessels on the high seas. Paul Malone, political correspondent of the Canberra Times, describes this as allowing ‘Australia to maintain its no-questions-asked policy of accepting American ships’;  

(b) the boundaries do not include north of the equator, except the north boundaries of Nauru and Kiribati as a result of the EEZ regime (Annex 1 of the treaty). At the time of negotiation the area north of the equator included the US Trust Territory. Australia was aware that it was very likely that the Federated States of Micronesia, the Marshall Islands, and Belau could join the Forum (the first two subsequently became full members of the Forum in 1987, a year after they had gained self-government status). The exclusion of north of the equator was evidence that Australia did not want conflict with the United States. And finally, (c) the treaty was aimed at French nuclear tests and dumping in the region but nothing affected the existing US defence policy with Australia. As Firth stated in 1986: ‘the treaty was simply designed to embarrass the French while reassuring the Americans’. Prime Minister Hawke, however, rejected that claim by saying that ‘the treaty was not anti-French because it had not excluded US interests such as American Samoa, and UK interests in the region and was therefore not discriminatory’.  

Firth also describes Bob Hawke as telling ‘the Australian public that the zone means a lot, and at the same time hastens to reassure the Americans that it means little’.  

3.4. The FICs’ Attitudes

Although two major groups can be distinguished in their expectations, differences in approach by each of the Forum members can also be seen. The Melanesian countries of Papua

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70. S. Firth, Nuclear Playground, 1987, op.cit.,p.141.
New Guinea, the Solomon Islands, and Vanuatu have, as Fry argues, been outspoken and have adopted a more radical stance than the Polynesian countries to the east - Western Samoa, Tonga, the Cook Islands, and Niue. Vanuatu has a much broader concept of 'nuclear-free' than other Island states. It prohibits American naval vessels whether carrying nuclear weapons or not. In any case Vanuatu had already declared itself a nuclear-free state in 1982. The Solomon Islands' approach has been different again. It allowed US naval vessels to call during the Coral Sea celebrations, although within the government itself there was reportedly considerable opposition because of the presumption that some of the ships were nuclear armed. Papua New Guinea, although a vocal campaigner against French nuclear tests and its defence white paper stated its commitment to the promotion of a nuclear weapons free zone, has been allowing port calls by US naval vessels. The independent Micronesian countries, Nauru and Kiribati, have been very quiet on testing but have been the most active on the dumping issue. The Federated States of Micronesia and the Republic of Marshall Islands had no clear stance on the issue. It was understood that their political status with the United States under the Compact of Free Association became an obstacle to their speaking up on the issue.

The Melanesian states’ expectations toward the zone can be seen in their concern about the six weaknesses of the treaty. Firstly, there is no prohibition on nuclear ships visits (article 5, paragraph 2). Papua New Guinea and Vanuatu voiced strong arguments on this issue. Secondly, the treaty did not seek to ban missile testing in the region,72 (so as not to affect US missile testing in Micronesia). The three Melanesian states plus Nauru have frequently stated their concerns on this point. Thirdly, its zone boundaries exclude north of the equator. Papua New Guinea and Vanuatu observed, at the time, that there was no reason for excluding Island states that were already directly linked to the South Pacific through the South Pacific Commission and in the process of forging closer links with the Forum itself. Fourthly, there was concern by Papua New Guinea and the Solomon Islands that the anti-dumping provisions of the treaty did not extend to external potential dumpers such as Japan. Fifthly, there was no provision banning uranium exports to nuclear-weapon states. Vanuatu and the Solomon Islands were the only Island states which sought a prohibition on transfer of nuclear materials under safeguards to nuclear weapon states. Responding to the Deputy Prime Minister of the Solomon Islands'
observation on the question of Australia’s export of uranium, the Australian Prime Minister, the only Forum member to export it, pointed out:

that the treaty addressed this issue consistently with the Non-Proliferation Treaty (NPT). Peaceful uses were not prohibited but were applied to exports under article 8(2)(c) and Annex 2 of the draft treaty. All sources of fissionable materials were subject to International Atomic Energy Agency (IAEA) safeguards. The fundamental point to be understood was that the NPT, of which Australia was a signatory, imposed under article 4 a specific obligation on countries with source material to provide that material for peaceful purposes.

The Prime Minister further explained:

that the IAEA had made a direct plea to Australia that it was not withdrawing from supplying uranium. The reason for this was that Australia’s withdrawal would make the fuel cycle more dangerous. For instance, the President of Niger had said that he would supply uranium to the devil and could not care less about the consequences of such action. Australia applied stricter control than did anyone else. If Australia stopped its supply, the gap would be filled by others with no concern about safeguards. This would make the situation all the more dangerous and this should be avoided.

Nevertheless, the Forum members still expressed their concern about how Australia was able to ensure that its uranium would be used for peaceful purposes by the nuclear states, and whether there would be any guarantee that the peaceful use would not indirectly contribute to the proliferation of nuclear weapons.

And the last weakness is the treaty’s lack of comprehensiveness. Again both the Solomon Islands and Vanuatu strongly attacked this weakness. At a press conference at the Forum meeting in Rarotonga in 1985, Vanuatu’s Prime Minister, Lini, argued:

that the treaty would not be effective in keeping out the nuclear powers, including the French, the Russians, and the Americans; was too selective in including New Caledonia and Wallis and Futuna but not the American territories in Micronesia; was ineffective in controlling waste dumping since it did not cover territorial waters; should have included bans on nuclear-weapon delivery systems and uranium mining; and failed to consider the wishes of island peoples in keeping the region free of nuclear threats.

But if the Melanesian states have seen the treaty as having weaknesses, why did they, except

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73. Australia was very well-prepared in dealing with its uranium export issue. In November 1983 Prime Minister Hawke asked the Australian Science and Technology Council (ASTEC), chaired by Prof. R.O. Slatyer of the Research School of Biological Science, A.N.U., to undertake a study on Australia’s role in the nuclear fuel cycle. In May 1984 a Report of the study was submitted to the Prime Minister which among other things recommended the continuation of Australian uranium mining and export. Details of the ASTEC’s recommendations can be found in Australia’s Role in the Nuclear Fuel Cycle: A Report to the Prime Minister by the Australian Science and Technology Council (ASTEC), (Canberra: AGPS, May 1984).

74. Summary Record of the Sixteenth SPF Meeting, Rarotonga, 1985, p.32.

75. Ibid., p.37.

Vanuatu, support Australia’s proposal? Simply because they were getting some of what they wanted, it was about as much as the more conservative Island leaders would accept, and it was better than nothing. Apart from that reason, the politics of aid has played an important role in this issue. At the opening of the Forum meeting in Canberra in 1983, Prime Minister Hawke offered increased foreign aid to the South Pacific region. It was in the form of patrol boats ‘at a cost of up to $30 million to protect neighbouring Pacific nations from intruders poaching in their fishing zones’. Australia’s bilateral aid to the Solomon Islands and Vanuatu increased in that period. Both offers created considerable inducement, over and above Australia’s normal aid programs, to respond to Australian regional diplomacy.

The expectations of Fiji and the Polynesian states were the opposite of those of the Melanesian states’. Fiji, under the Ratu Mara government and the Polynesian states, except Tonga, did not publicly express reservations about the limited nature of the treaty. Fiji was a strong supporter of the SPNFZ concept proposed by New Zealand in 1975. It was also Fiji, together with New Zealand, that pressed the UN General Assembly to adopt a resolution on the concept in December 1975. However, after that period, Fiji became less outspoken in its criticism of France and much more conservative in its policy on the SPNFZ concept. According to a report, Fiji’s moderate stance was influenced after the signing of the first Lomé Convention in 1975 between the European Community and 46 countries of Africa, the Caribbean and the Pacific (known as ACP countries). France’s influence in the EC, where Fiji sold most of its sugar under the Convention, was seen as an important consideration shaping Fiji’s stance on French nuclear testing. Fiji’s concern was that in the future a French government might retaliate for its opposition to France. Ratu Mara, however, rejected that view. In the 1983 Forum meeting, he said:

Fiji was a founder member of the Lomé Convention and there was no scope for application of pressure through that arrangement by France or others. Fiji’s policies on any issue would never be based on fear or threat of reprisals from any country.


78. There are now 66 ACP signatories, 34 of whom are members of the Commonwealth. The Convention provides for the duty-and-quota-free entry into the Community market of most agricultural and all industrial products (except rum) imported from the ACP signatories. There are special protocols to safeguard the interests of those ACP countries dependent on the export of such agricultural products as bananas, beef and sugar. For details see, Britain and the Commonwealth, (London: Central Office of Information, 1989), pp.19-21.

79. This issue was examined by Sandra Tarte, in her unpublished BA (Hon.) thesis, Fiji’s Role in the South Pacific Forum: 1971-1984, (Department of Political Science, the University of Melbourne, October 1985), pp.62-65. See also G.E. Fry, 1983, p.31.

More importantly, in the early 1980s, the Mara government also shifted toward closer alignment with the United States. This policy culminated in 1983 when it decided to formally accept US nuclear ship visits. Thus, from then, Fiji had a similar perception to that of the Australian government on the need to limit the scope of the zone. In the 1984 Forum meeting in Tuvalu, Ratu Mara outlined several reasons why his government moved away from its earlier stance. First, he noted that since the 1975 UN resolution was passed the UN General Assembly had proved completely powerless to implement the resolution to create a nuclear free zone and the nuclear weapon states had not cooperated. Secondly, he referred to the Law of the Sea Convention which required Fiji to allow all ships to pass through its territorial waters. And finally he expressed his concern about the result of the Moruroa investigation which had thrown doubts on the dangers of French testing. As a result, he stated that his government ‘could not support the Australian proposal if it called for the banning of nuclear ships from calling into Fiji’s ports’.

There was evidence that Fiji’s reversal of policy was a result of increased economic incentives given by the United States. Mara’s visit to Washington in November 1984 to meet President Ronald Reagan was to seek increases in American military and economic aid, including the provision of US bilateral aid. Ratu Mara stated that Fiji was ready to play its part in regional security and that US development aid was part of the overall US responsibility to the region. By 1986, US economic aid to Fiji increased to approximately US$1.5 million annually, a threefold increase over the 1980 level. Charles Greenleaf, US assistant administrator in the Bureau for Asia and the Near East, noted that ‘our program delivers on the President’s commitment to Fiji’s role as a moderate and influential pro-US force in the South Pacific’. In addition to increased economic aid, the United States substantially increased its military cooperation with Fiji, including providing training programs for Fijian military personnel and funding assistance for equipping the Fijian army with new standard rifles, the US M16A2.

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82. There was also a report that prior to the policy reversal in 1983 Ratu Mara had travelled to Hawai‘i with the American Ambassador to Fiji, Fred Ekert, for 3 days of talks with officials at CINPAC (US Commander in Chief, Pacific) Headquarters. According to observers this visit led directly to a meeting of the Fiji Cabinet - on the Prime Minister’s return - when the change in policy was decided.


84. Ibid., p.96.


86. For details, see Hamel-Green, 1990, op.cit., pp.95-96.
Nevertheless, Mara’s views were not shared by some other leaders in Fiji. Dr. Timoci Bavadra’s short-lived government had the opposite policy. In August 1986 Bavadra criticized the Mara government for signing the treaty and stated that a Fiji Labor government would withdraw from the treaty and seek a more comprehensive one:

The Fiji government, regrettably, has already signed and ratified the existing Treaty. On the one hand, it professes to support the concept of a nuclear free Pacific but, on the other, it signs a treaty which it knows falls far short of that ideal.  

According to Bavadra, the treaty was a ‘useless document’ for preventing nuclear activities in the region, and escape clauses included in the protocols made the whole a ‘farce’. It was later suggested that the antinuclear stance of the Bavadra government might have been one of the factors that led to the May 1987 military coup. Colonel Rabuka, the coup leader and the then-Prime Minister, did not deny this. He argued that the Bavadra government’s ban on nuclear ships and its policy of non-alignment would ‘harm the interests of major allies, notably the United States’. Similarly, M.C. Pugh who just completed a study on the ANZUS nuclear ships crisis supported that this was one of the contributing factors in the coup. Pugh noted that ‘the prospect of a nuclear visits ban in Fiji added to alarm in Washington and Hawai’i about naval visits in the South Pacific’. Although not directly supporting this view, a report by the US Committee on Foreign Affairs of the House of Representative similarly noted that Bavadra’s anti-nuclear stance and his policy to move Fiji toward a more non-aligned position was a serious security concern to the US, particularly on the nuclear issue.

The expectations of other Polynesian states (the Cook Islands, Western Samoa, Tuvalu, and Niue) were similar. They generally supported a limited zone. Tonga, as briefly mentioned, considered that the zone went too far. Tonga became the first Island independent state to accept nuclear ship visits in 1978. Its stance, as noted earlier, was greatly affected by increases of economic and military aid given by the ANZUS states during the late 1970s and the early 1980s. The ANZUS states’ immediate reason for increasing their aid to Tonga was because of Tonga’s

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77. See *The Fiji Sun*, 6 August 1986.


public intention of trying to seek Soviet economic aid at that time. This is the politics of aid and it has wide ramifications. It can influence both domestic and foreign policy. This commonly happens in relationships between the developed and developing/less developed countries not only in the South Pacific but in all other parts of the world. For developed countries, aid is becoming a paramount instrument to influence the developing countries' policies. For developing/less developed countries, aid become a major source for development, but at the same time, they often have to sacrifice their sovereignty and independence. In a region where the super powers' security interests were critical, the developing states - or more precisely the Island states in the South Pacific - could take advantage to attract more and more aid from outside powers. The Soviet's attempts to offer economic aid or other types of assistance to the Island states were always countered by the ANZUS countries. Thus, if the Island states' main concern was only aid for their countries' development without taking into account other side effects, such as exercising their sovereignty, then the Island states both individually and collectively through the Forum could play a game involving both super powers as well as middle powers such as France and China.

The ANZUS perception of the threat to the region was and is not shared by all Island states. The Soviet military threat to the region was remote in the Island states’ own assessment. Both Rt. Rev. Ellison Pago of the Solomons and Pastor Beka Kosieng of the Evangelical Lutheran Church of Papua New Guinea stressed, 'we do not have any military threat from outside powers. This is not our serious concern, the country's development is the prime priority'. The Island states perceive the greatest threat to be economic insecurity. It is usually seen as arising from the small size and scale of Island economies, transportation costs and problems associated with remoteness, dependence on a limited range of primary industries, limited natural resources, and rising expectations of living standards. Thus, the source of instability is internal rather than external as perceived by the ANZUS states. And beside economic insecurity, the domestic political system in each country has proven to be a source of instability. The military coups in Fiji in 1987, the Bougainville crisis in the late 1980s and early 1990s, and the conflict in New Caledonia can be taken as examples.

92. Interview with the author, Canberra, 20 February 1991.

4. Conclusion

The conclusion of the Rarotonga Treaty can be seen as a significant Forum achievement. Regardless of the Pacific Islanders' different approaches toward the zone, the fact is that they all oppose nuclear testing, and their struggle to establish the zone was successful. The treaty can also be viewed as a culmination of the Forum's efforts to stop French nuclear testing in the region, although, of course, the treaty has not yet prevented such testing. But at least the treaty has put more pressure on France, compared with other Forum's actions, such as a resolution issued almost every year, and virtually ignored by the French. The most recent decision in April 1992 by the French government to stop temporarily the testing programme can also be regarded partly as a result of that pressure, although the end of the cold war which reduced (if not ended) the tension between the East and the West obviously played a part. The change in global politics affected French domestic politics. Some observers pointed out that the real pressure which made the new French Prime Minister, Pierre Beregovoy, decide to halt testing temporarily came from French public opinion. Opinion polls show that '60 per cent of the French public favoured a halt to the testing while only 30 per cent wanted the tests to continue [and] 10 per cent had no opinion'.

The conclusion of the Rarotonga treaty was for the Forum a successful political exercise in regional cooperation. The negotiations themselves were a real test for the island states to practise their diplomacy both among the Island states themselves and with more developed states such as Australia and New Zealand. Whatever weaknesses were found in the agreed Rarotonga treaty, it (Australia's proposal) should be seen as the best possible proposal in terms of achieving relatively fast agreement by all parties in the Forum. This quick endorsement of the treaty was because the proposal was more realistic: it could be implemented in the shortest possible time. The more comprehensive zone would not have been accepted by all the Forum members, for instance as in the New Zealand's proposal of 1975. Similarly if the Melanesian states' demand had to be accommodated in the treaty, the Forum would never have had an agreement, or at least it would have taken perhaps another decade or two to achieve an agreement. More importantly, such a move would have shattered the Forum's unity, in particular between the Melanesian and Polynesian states, and between the Melanesian states and Australia.

Once again, this judgement depends on examining the Forum's main aim in establishing the zone, and that was to put more pressure on France to stop its nuclear testing programme.

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There is not enough evidence to suggest that all the Forum members, except the three Melanesian states, wanted a more comprehensive nuclear free zone. The Tlatelolco Treaty itself, from which the Rarotonga treaty derived, still has many weaknesses and cannot escape scholars' criticisms. Therefore, whether the treaty itself succeeds in stopping French nuclear tests and contributes to regional arms control are the next questions. In a wider perspective, many scholars and I myself criticise the treaty as having no value for regional arms control, and some people even regard it as a useless document. But once again, this thesis looks from another perspective, that is in relation to the Pacific Islanders' expectations. Even though, at first, their attitudes towards the zone were different, in fact, now eleven Forum members have signed and ratified the document, thus leaving out only four: Vanuatu, Tonga, the Federated States of Micronesia and the Republic of Marshall Islands. The last two will never sign unless the Treaty's boundaries are revised to include theirs.

More importantly, the Soviet Union (now the Commonwealth of Independent States) signed Protocols two and three on 15 December 1986 and ratified them on 21 April 1988, and, the People's Republic of China had signed Protocols 2 and 3 on 10 February 1987. Their prompt signatures can be seen as support for the zone and have already helped improve their relations with Island states. The Soviet's support for the treaty might also reduce the Island states' hesitation in opening up diplomatic and commercial relations with the Soviet Union - or its successor states. Papua New Guinea's agreement to a Soviet request for an embassy in Port Moresby is also evidence of improved relations. The Chinese and the former USSR's support for the treaty can also be seen as putting more pressure on other nuclear weapons states to reconsider their policies toward the treaty and to sign and ratify the relevant protocols as soon as possible. At the time of ratifying the protocols, Andre Gromiko, President of the Presidium of the USSR Supreme Soviet, said he called 'upon the nuclear powers, that have not yet done so, to act as guarantors of the Rarotonga Treaty by signing and ratifying relevant Protocols'.

On the other hand, three nuclear weapon states who have territory or territories in the South Pacific - the United States, the United Kingdom, and France - have shown no indication of signing the relevant protocols. France who became the first target of the treaty does not want to surrender its independent power. Prime Minister Hawke himself confessed in 1985 'that

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96. See USSR ratification of Protocols 2 and 3, 29 January 1988 and accompanying Statement. These Documents were deposited in the Forum Secretariat, Suva, Fiji.
France would never sign the Protocols because it was determined indefinitely to continue testing in the South Pacific region. The French Ambassador to the United States, Emmanuel De Margarie, clearly stated that France would not sign any of the three protocols, because the treaty is in conflict with France’s security interests. He further said ‘support for a nuclear free zone would also be dangerous because nations in the region would have a false sense of security’. When lobbied by the Forum mission in 1986, the French government similarly announced its intention not to sign the relevant protocol for three reasons:

1. the major part of the zone comprises international seaspace free of any constraints;
2. risks of horizontal proliferation are minimal in the South Pacific;
3. the five nuclear weapon states have already given negative security guarantees at an international level.

The American government’s decision not to sign the protocols was, in fact, not supported by all members of the House of Representatives. In 1989, for example, the Foreign Affairs Committee led by Republican Stephen J. Solarz visited the South Pacific countries, and later recommended that the US administration ratify the protocols. Solarz confirmed that the US practices in the region already conformed to the protocols, and that signing would have no adverse impact on U.S. security interests. Solarz also succeeded in winning a resolution expressing the sense of the House that the U.S. should join the SPNFZ. The U.S. unwillingness to sign the treaty can also be seen as indirectly supporting the French nuclear test program in French Polynesia which is the real target of the treaty. The U.S. stance on the treaty, plus its decision in 1983 not to sign the United Nations Convention on the Law of the Sea and also its failure to restrain its fishing fleet from illegal fishing in Island waters might be seen to be insensitive to the most elementary regional aspirations for protection of South Pacific peoples’ health, security, resources, and environment. In 1988 the US image was relatively insensitive to the most elementary regional aspirations for protection of South Pacific peoples’ health, security, resources, and environment. In 1988 the US image was relatively

97. Summary Record of the Sixteenth SPF Meeting, Rarotonga, 1985, p.27.

98. Pacific Islands Monthly, November 1986, p.3. Similar statements were made by H.E. Henry Jacolin, the French Ambassador to Fiji and H.E. Claude Maynot, the French Ambassador to PNG. Both were interviewed by the author, in Port Moresby, 18 June 1991 and in Suva, 4 September 1991.


improved after it signed the Fisheries Access Treaty with the Forum countries (see Chapter VII on Fisheries).

More importantly, at the end of 1989 the United Nations General Assembly adopted a resolution endorsing the South Pacific Nuclear Free Zone Treaty. The Resolution was passed by 151 votes in favour, none against and with only four abstentions - the United States, the United Kingdom, France and Vanuatu. The UN support for the treaty’s resolution confirms that these concerns are widely shared by the international community. And consequently, this will press and isolate France which wants to continue its nuclear tests. Thus, it can be argued that in this case the Forum has achieved its highest aim when creating the treaty except that the nuclear powers such as the USA and the United Kingdom, which were expected to sign the protocols, have not yet done so.
CHAPTER V

PROTECTING THE ENVIRONMENT

This chapter examines in detail the Forum’s attempts to deal with the effects of nuclear testing in the region and related problems such as nuclear waste disposal and other environmental issues such as the greenhouse effect, climatic change and conservation. It will also examines progress being made by the South Pacific Regional Environment Programme (later referred to as SPREP) Convention.

Discussion of these issues is important. They are regarded as the main reasons underlying the Pacific Islanders’ opposition to French nuclear testing. Using the environment as justification, the Islanders can oppose states outside the region with 'soft' diplomacy. The environment is not a directly political issue, though many people use the popular term 'green politics'. It is a topic becoming increasingly important in world diplomacy. It is seen as a chance to address issues for the benefit of the next generation. On environmental problems, one can see the success of the Forum’s diplomacy with the outside powers to secure the development of the whole region and more importantly for development within each member state. The success of the Forum in tackling these issues has contributed to strengthening its image as a regional organisation.

1. Opposition towards Countries outside the Region

1.1. Forum’s Opposition to France

When the Pacific leaders met in Wellington in 1971 they expressed their concern at the potential hazards that atmospheric tests posed to health and safety and to marine life which is a vital element in the Islands' subsistence and economy. Similarly in the third, fourth, and fifth annual Forum meetings, the Pacific leaders reaffirmed their strong opposition to French nuclear tests with the argument that the tests were damaging the region’s environment and were a hazard to the Pacific Islanders’ health. In the two year period, 1974-1975, the issue disappeared from the Forum agenda because there was no discussion on nuclear testing with which environmental matters were usually included.
After more than two decades of continuing protest with no ultimate result in the sense that France opted permanently to halt the testing programme, the Forum leaders put more pressure on France by stressing environmental issues more strongly. The Forum regarded it as timely, especially when peoples in the world were increasingly arguing the importance of the environment for future generations. More importantly, under the 'environment' heading the Forum countries could also address nuclear related matters in the South Pacific Conference, an arena where political discussion was banned. It was a difficult exercise for the FICs to persuade their former colonial masters to accept the argument that the environment was not a political matter. The adoption of the South Pacific Regional Environment Programme in 1986, which France had also signed, gave the Forum countries another approach to oppose the French nuclear tests by addressing environmental issues. The Forum leaders believe that in the future such a legal arrangement will put more pressure on France to halt its testing programme.

1.2. Forum's Opposition to Japan

Japan almost succeeded in finalising its plan and was close to beginning to dump radioactive waste in the Pacific ocean in 1979. The reasons behind this decision were the geological instability of Japan and the very limited land available for a disposal site.

The Japanese plan was of great concern not only for the Pacific Island leaders but also other experts, especially members of the London Dumping Convention. They questioned the reliability of the Japanese assessments of the safety of the dumping plan.

When the Deputy Prime Minister of Vanuatu, Fred Timakata, first observed at the 1981 Forum meeting that the Forum should consider declaring a nuclear free zone for the Pacific, he referred to the visit by a team of Japanese scientists who had set out to seek the views of Pacific Island countries about the Japanese proposal to dump nuclear waste in the Pacific ocean. The precise location was to be in the high-seas north-west of the Ogasawara Islands. The initial intention was to dump 5-10,000 cement - solidified drums at a depth of approximately 6,000 metres. Each drum would contain less than 500 curies of radioactivity.1

As a result of its continuous protests both individually and collectively, the Forum in 1985 persuaded Japan not to proceed with its dumping project in the Pacific Ocean. The 1985

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Forum Final Communique states: ‘the Forum welcomed the statement by the Prime Minister of Japan that Japan had no intention of dumping radioactive waste in the Pacific Ocean in disregard of the concern expressed by the communities of the region’. Therefore, this can also be seen as further evidence of the effectiveness of the Forum’s influence on international events.

Apart from Forum opposition to Japan’s desire to dump its nuclear waste, the Forum countries had been outspoken in addressing other environmental issues such as opposition to driftnet fishing. The Forum’s pressure on Japan to cease its driftnetting was successful when in July 1991 Japan announced its intention to halt the practice. Similarly South Korea and Taiwan at last listened to the Islands’ concerns on the driftnetting (for details, see Chapter VII on Fisheries).

1.3. Forum’s Opposition to the USA

In 1979 the Forum adopted a resolution condemning the use of the region as a dumping ground for nuclear waste. The resolution was directed at the United States because of its proposal to store its spent nuclear fuel on Palmyra Islands in the central Pacific. The United States considered that isolated Palmyra was the most suitable island. The proposal was part of a plan for international storage of spent nuclear fuel and it was based on the assumption that international storage would prevent the reprocessing of the material into plutonium which forms the basis for nuclear weapons. The resolution was sponsored and drafted by the Cook Islands and supported firstly by Kiribati and Tuvalu, the closest Island states to Palmyra, and finally by all the Forum members. The resolution among other things mentioned:

The South Pacific Forum countries:
* express grave concern at the possible environmental hazards in the event of the Pacific becoming an international dumping ground for nuclear wastes ...;

* strongly condemn any move to use the Pacific as a dumping ground for nuclear wastes; [and]

* urge the United States to store its nuclear wastes in the USA continent;

That decision suggests that the Forum has been used by either individual or collective Island states to oppose any move in particular from state or states outside the region which might

3. The Forum Communique, 1979, pp.4-5.
endanger their territories, whether on environmental grounds, health reasons or the like.\(^4\)

Realising the Forum's opposition to its proposal, the United States responded by ensuring that there was no environmental hazard involved in its proposed use of Palmyra. The US invited other countries to examine the nuclear waste storage project and invited Japan in particular to share the facility on Palmyra. Led by the Cook Islands, the Forum reacted to the United States' response by adopting a similar resolution in the 1980 meeting. The resolution condemned 'any action which represents further exploitation of the Pacific for nuclear purposes in ways which disadvantage the people of the Pacific'.\(^5\) It was, once again, directed at the United States. New Zealand was the first Forum country to support the Cook Islands' draft resolution.\(^6\)

In 1981, Tuvalu sponsored another resolution to reaffirm condemnation of French nuclear testing and oppose nuclear dumping, in particular. It urged the United States and Japan to store or dump their nuclear waste in their home countries rather than storing or dumping them in the Pacific. The resolution also called on all Governments to recognise that Forum Heads of Government were united in their grave concern for the protection of the people and environment of the region. The 1982 resolution again affirmed the Pacific Islanders' strong opposition. The resolution addressed the protection of the environment within a wider reference that was in relation to the development of SPREP. More importantly, the Forum, once again called on not only the US and Japan, but all nuclear weapon states not to store or dump nuclear wastes in the Pacific. Because there was no positive response from France, Walter Lini at the 1982 Forum meeting suggested:

> it would be a mistake to try and prove scientifically that testing and dumping in the Pacific were physically and environmentally dangerous. Rather, it was important for the Forum to emphasize to the French Government that its activities were against the human rights of Pacific peoples.\(^7\)

Further discussion on the issue by the Forum in 1983 to 1985 was related to the development of the SPREP Convention and the SPNFZ Treaty. Article seven of the Treaty deals with nuclear dumping. It obliged each party to undertake:

\(^4\) The Prime Minister of Western Samoa, for example, clearly noted that the only way to oppose French nuclear testing and reject the proposal by the USA and Japan to dump nuclear waste was through multilateral action, such as through the South Pacific Forum and the United Nations. For details, see *Summary Record of the Fourteenth SPF Meeting*, Canberra, August 1983, p.18.

\(^5\) The resolution was also backed by the Federated States of Micronesia (in the 1980 Forum meeting, FSM gained an observer status and was represented by its President). The President informed the meeting that Japan also proposed to dump nuclear waste in the Okinawa islands and Japan and South Korea were invited by the US to join in the disposal scheme.

\(^6\) *Summary Record of the Thirteenth SPF Meeting*, Rotorua, August 1982, p.28.
(a) not to dump radioactive wastes and other radioactive matter at sea within the
SPNFZ;
(b) to prevent the dumping of radioactive wastes and other radioactive matter by anyone
in its territorial sea;
(c) not to take any action to assist or encourage the dumping by anyone of radioactive
wastes and other radioactive matter at sea anywhere within the SPNFZ;
(d) to support the conclusion as soon as possible of the proposed Convention relating
to the protection of the natural resources and environment of the South Pacific region
and its Protocol for the prevention of pollution of the South Pacific region by
dumping, with the aim of precluding dumping at sea of radioactive wastes and other
radioactive matter by anyone in the region.  

Problems arose in discussion. Some leaders, particularly of Vanuatu and Western Samoa, argued
that discussion on those issues was inter-related, and therefore they should be discussed at the
same time. But Australia suggested that the issues should be discussed separately. Australia did
not deny their inter-relationship, but its argument was based merely upon the meeting
arrangements. The Australian representative, for example, asked how delegates could cope with
all issues at the same time and without enough preparation. New Zealand supported Australia’s
stance, but for different reasons, in particular in relation to the SPNFZ proposal. In its view,
environmental issues should be dealt with in the context of the SPREP Convention, thus
excluding them from the SPNFZ proposal. Consequently, the SPNFZ proposal should not include
environmental matters. That is why New Zealand proposed that such a zone should not be called
‘nuclear free’, but ‘nuclear weapon free’. Besides Vanuatu and Western Samoa, other members
were seriously concerned with environmental protection. Those were Western Samoa, Nauru and
Kiribati. The last two actively contributed to the development of environmental issues, not only
because of their geographic proximity to the testing and dumping ground, but because those
countries were members of the London Dumping Convention (LDC). In the 1984 Forum
meeting, for instance, President Tabai reminded the other Forum members of two major concerns
with nuclear issues for the region: first, disarmament in a world context and secondly, the
protection of the environment. The latter, according to the President, affected the region most
immediately as the testing and dumping of nuclear waste in the region were inconsistent with
long-term environmental protection and development.

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8. Article 7, paragraph 1 of the Rarotonga Treaty.

9. The complete name is ‘The 1972 Convention on the Prevention of Marine Pollution by Dumping of Wastes
and Other Matter’. It is an international document controlling the disposal of wastes by ocean dumping. Prior to the
LDC, several states had passed legislation regulating pollution in their own territorial sea, but then they were
inadequate in dealing with pollution problems outside their jurisdiction.

The restrictions and prohibitions apply globally, including the high seas which are under the jurisdiction
of the coastal states. The LDC focuses on the granting of national permits for dumping, rather than on an international
prohibition. Approximately 64 states have ratified the Convention, including the US and Japan. Besides Nauru and
Kiribati, as of July 1992, three other Forum members became parties, namely the Solomon Islands, PNG and Fiji.

10. For details see Summary Record of the Fifteenth SPF Meeting, Funafuti, August 1984, p.16.
Another prominent role of the Forum was opposing the US move in 1990 to destroy its nuclear waste on Johnston atoll, a tiny island about 1100 kilometres southwest of Hawai’i. The Forum’s role on this issue was evidence of how the small Island states’ voice can be heard by a super power. Events culminated when President George Bush invited the Forum Heads of government for a summit meeting in Honolulu in November 1990.

In November 1989 news of the US intention to ship its chemical waste from West Germany to Johnston atoll reached the ears of the Forum leaders. The atoll is a bleak, treeless, uninhabited former bird sanctuary and from the air, according to David Robie, a New Zealand journalist, ‘it looks like an oversized aircraft carrier’. The atoll houses the world’s first large-scale chemical weapons incinerator. The US army considered the atoll to be a most suitable location for military activities, because there was no indigenous population, no competing use for the atoll, and all activities went unnoticed and unchallenged by the rest of the world.

In the past the riskiest nuclear tests carried out by the US had taken place at Johnston atoll. In August 1958 a missile carried a hydrogen bomb 30 kilometres above the atoll and then it was exploded. Another atmospheric test was carried out in 1962, the year before the Partial Test Ban Treaty came into force. During the 1960s, the atoll was also used for an anti-satellite warfare system. In the 1970s the US began shifting thousands of tonnes of old leaking and dangerous weapons to the atoll. The Johnston burn-off plan has remained a controversial issue in the region since the US military first produced its widely criticised impact report in 1983.

The US Army’s plan was not only to burn the weapons already on the atoll but to remove about 100,000 deadly chemical-filled artillery shells from West Germany to the atoll. The shells, mostly containing nerve gas, will be shipped half way around the world to be incinerated on Johnston atoll. To 1994 the US spent about ‘US$561 millions’ to construct and operate the facility.

This plan was strongly opposed not only by the Forum governments but also by various groups such as Greenpeace, church leaders, the World Council of Indigenous People (WCIP), and individuals. The Pacific Conference of Churches (PCC) condemned the plan. As Bishop Leslie Boseto of the Solomon Islands said, ‘it is harmful for people, the environment and the

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whole of God's creation'. Bishop Boseto and representatives of the other 26 member churches have been united by a common vision that life embraces the good things in Pacific culture - simplicity, love for land and sea, the extended family, flowers and sunshine. All of those groups feared that another Bhopal or Chernobyl incident would happen in the South Pacific region. They were united in their attempt to step up their campaign against the plan.

Greenpeace wanted the shells left in storage in Germany until safe destruction technology on Johnston island was developed. In February 1990 it released a report which claimed the Johnston Atoll Chemical Agent Disposal System (JACADS) was likely to produce highly toxic emissions and was seriously deficient in health and safety standards.

The Honolulu-based World Council of Indigenous People soon passed a resolution declaring that 'the burning nerve gas on Kalama (Johnston atoll) threatens the purity of the Pacific skies [and poses an] unreasonable risk to the life, health and general welfare of Pacific peoples'. Most of those groups took further action. Greenpeace, the Institute for the Advancement of Hawai’ian Affairs and the World Council of Indigenous Peoples-Hawai’i on 2 August 1990 filed a lawsuit in Honolulu seeking an injunction to halt the shipment by the US Army.

The South Pacific Forum as the political regional organisation felt obliged to voice the Pacific Islanders' concerns. The 1990 Forum meeting in Vila discussed environmental issues in detail, particularly, the JACADS one. It was a dilemma for the Forum countries. On the one hand, they welcomed the US decision to destroy its chemical weapons as a positive step in disarmament, but on the other hand, the Forum leaders were concerned about the environmental impact of the destruction process, more especially when their region was being used for dumping. In his opening address, Walter Lini, the meeting host and Forum chairman, stressed the importance of environmental issues. Lini stated 'there is a sense in the region that we are the victims of environmental degradation beyond our capacity to solve and that we must address the problems on the basis of international cooperation'.

During the Vila meeting Australia was very much on the US side. It took the lead in convincing the FICs' leaders that the US plan was good for disarmament. According to Prime

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12. 'Islands People Fear Chemical Burn-up Plans' in New Zealand Herald, 31 May 1990, p.9.
14. 'The Vila Forum due to Debate Chemical Dumping by US' in The Dominion, 4 August 1990.
Minister Hawke, the destruction of chemical weapons by the US should therefore be welcomed. The principle of destroying the weapons was welcomed by the Pacific leaders, but the use of the Pacific as a place for such a purpose was certainly opposed. On the other side, Nauru was the most vocal in opposing the US plan. Nauru's President, Bernard Dowiyogo, was the first FICs' leader to urge the Forum to express its deep concern and strong objection to the use of the JACADS facility by the US. Nauru objected to the importation of poisonous substances into the Pacific and referred especially to those chemical weapons to be transported from Germany. In Dowiyogo's view, if the destruction process was safe then it should be carried out on the US mainland and not on Johnston atoll. He even suggested that the existing stocks of chemical weapons held on the atoll be transferred to the US mainland. Dowiyogo then argued that the Forum should take the strongest position on JACADS and include such a protest in the communique. Nauru proposed a draft text for inclusion in the communique.

Hawke reacted quickly to Nauru's stance. While he shared the concerns of his colleagues, he explained in detail the relationship between weapons destruction and disarmament. He said that 'the destruction of chemical weapons was an essential element in securing a global ban. There were two compelling reasons for seeking a global ban and destroying chemical weapons stocks: disarmament and the environment'. Hawke persuaded the FICs' leaders by telling them that the presence of chemical weapons on Johnston atoll posed a serious environmental problem, and the delay in the destruction of those stocks (plus the ones being transported from Germany) would add to the risk. Consequently, Australia prepared an alternative draft communique on JACADS which might be merged with the Nauru draft.

Ratu Mara responded by asking a very simple question: 'why the incineration could not be undertaken in Germany if it was all that safe'. Tuvalu supported Nauru. Its Prime Minister stated that the Forum had no choice but to condemn the incineration of chemical weapons in the region. As in the case of Rarotonga treaty, the Tongan position was very pro-US. It supported Australia's stand. Western Samoa supported neither the Nauruan nor the Australian drafts and preferred to express an independent view. Tofilau Eti Alesana felt that the US certainly brought advanced technology to the transportation and destruction process, and he was sure that its operation would meet the stringent environmental standards that had been set. He also noted that the US had already invited the Forum mission to monitor the atoll. It was, he said, a cooperative attitude that should be welcomed. Therefore, the best thing to do was to wait for the report of

15. Summary Record of the Twenty-First SPF Meeting, Port Vila, August 1990, p.29.
the mission. Nauru’s President could neither accept Australia’s stand nor Western Samoa’s suggestion. He publicly expressed his disagreement. He remained of the view that the Forum should not be quiet in expressing its opinion on this matter; otherwise it would be failing in its duties to the peoples of the Pacific. The PNG Prime Minister, Rabbie Namaliu, while acknowledging Australia’s point regarding disarmament and the environment, had serious concerns about the chance of an accident. He felt that there was no choice available to the Forum except condemning in the strongest possible terms the action of the United States. Namaliu suggested that the two drafts presented by Australia and Nauru should be merged provided the contents were not watered down. New Zealand took a similar position. Geoffrey Palmer proposed that the statement should include strong concern over the transportation of chemical weapons and other toxic wastes in the Pacific. New Zealand also suggested a preliminary testing to see the risk involved, and when it was completed, according to Fran Wilde, New Zealand’s Associate Minister of External Relations and Trade, and ‘the full environmental impact process is available for evaluation, then this information must be made available to the Pacific Island community so that it can evaluate the project’. Wilde continued saying that ‘the countries of the region must be in a position to make an informed decision regarding the potential risk of leaving the weapons stock in its current state of deterioration as against the risk involved in destruction’. The Solomon Islands blamed the US for not consulting the Pacific states before the plan was underway.

A Drafting Committee was formed to merge the two drafts, but after the Chairman of the meeting read the final result of the Committee, Nauru could not accept it on two grounds: ‘it was not couched in the strongest terms of protest and it contained elements of support for JACADS’. Nauru’s objection was supported by the Kiribati President. The draft was revised and the 1990 Forum communique was finally agreed. It stated:

* The Forum Heads of Government declared that the Pacific ocean and the islands in it should not be used as a convenient area for the development, storage, dumping or disposal of hazardous materials, including chemical weapons, particularly from outside the region.

* While noting the stringent precaution being taken by the United States, the Forum remained concerned by the substantial potential risks to the environment and peoples

17. Ibid., p.31.


19. Summary Record of the Twenty-First SPF Meeting, 1990, op.cit. p.34.
of the Pacific of the whole operation, including, in particular, shipments of chemical weapons stockpiles from FRG.\textsuperscript{20}

The wording of the communique contradicted Hawke's argument. Hawke, and to a lesser extent Tonga's Minister of Foreign Affairs and Defence, Crown Prince Tupouto'a, was the only Forum leader, who supported the US plan and during the meeting he tried to persuade his colleagues that the plan was safe and temporary. Hawke maintained that the wording of the communique should do no more than 'express grave concerns', and not be a 'complete rejection'.

The 1990 Forum meeting had difficulty in reaching a consensus, particularly, on the Johnston atoll issue. Australia not only dominated discussion but also used tactics which angered many of the government leaders. For instance, it presented 'the Forum with three scientific documents after the meeting had already started - so that governments could not get them assessed by their own scientists'.\textsuperscript{21} The Island leaders disliked the way Hawke continuously spoke of the Island states' lack of access to scientific research. For many delegates of Island countries, the Johnston atoll debate altered their view of Australia. In the past Australia had enjoyed a certain level of respect because of its positive stands on issues such as nuclear testing and environment.

The Forum felt very strongly that the facility at Johnston atoll should not become the permanent toxic waste disposal centre of the world. The Forum leaders expressed their firm conviction that the facility should be closed down once the current operation had been completed and called on the US 'to ensure that no further chemical weapons or other toxic materials would be stockpiled on or destroyed at Johnston atoll'.\textsuperscript{22} The FICs were very concerned that the atoll might be used permanently. If that were the case, the US was likely to move its other chemical weapons waste (95 per cent stockpiled on the US mainland) to the atoll and destroy them there. More than that the Forum called for early discussion with the US on all aspects of the JACADS operation including the shipment of stockpiles from Germany. Another interesting point to note is that the Forum's opposition was not only spelt out in the communique but also directly conveyed to the US delegation, led by the Deputy Assistant Secretary of State, Marilyn Meyers, which attended the post-Forum Dialogue, an ASEAN-type dialogue which had started just one

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\textsuperscript{20}. The Forum Communique 1990, p.8.


\textsuperscript{22}. The Forum Communique, 1990, op.cit., p.8.
year before at the Kiribati meeting.

The US responded positively to the call for discussion. The US Defence Secretary Dick Cheney invited a Forum mission to visit Washington. This response can be regarded as a great success for the Forum’s diplomacy with the super power. At the Forum meeting in Vanuatu, not all members were optimistic about the possible outcome. Former New Zealand Prime Minister, Geoffrey Palmer, for instance, stated that the Forum’s action would have little hope of influencing the US plan.

The Forum mission comprised four Ministers, one from Vanuatu, Kiribati, Western Samoa and the Federated States of Micronesia. Funded by the Forum Secretariat and led by Harold Qualao of Vanuatu, the mission went to Washington to talk with officials and some US Congressmen on 17-19 September 1990. Meanwhile, the Forum’s Secretary General, Henry Naisali, attacked the plan. Naisali accused the US of treating the Pacific Islanders inhumanely. In a press conference at the Forum Secretariat headquarters on 7 September 1990, the Secretary General said:

Why bring them [chemical weapons] to our front yard in the Pacific? Because they don’t class us as human beings in the Pacific. They class us as breadfruit, as coconuts and guava, tapioca and taros.23

Western diplomacy played a role again. Three days before the Forum mission arrived in Washington, promises of material aid were conveyed to the Island states. Marilyn Meyers told regional leaders and officials at the Pacific Islands Conference in Honolulu that her government, to the best of its ability, would continue efforts to support the economic development of Island states. Meyers said that ‘the US continued to have important political, strategic and economic interests in the region and rejected suggestion that it had neglected the Pacific since the Second World War’.24 The evidence of the increasing US interest was the opening of new embassies in the FSM and the Marshall Islands, the appointment of resident diplomats in the Solomon Islands and Western Samoa - complementing two embassies in PNG and Fiji, and the US fishing deal with the FICs (see Chapter VII on Fisheries).

The Forum’s success culminated when President Bush in October 1990 invited the FICs

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heads of government to a summit meeting with him in Honolulu on 27 October 1990.\textsuperscript{25} Australia and New Zealand were not invited. Australia's exclusion was reportedly because of the top-level US-Australia talks scheduled to be held a few months later, whereas, New Zealand's exclusion was definitely due to its anti nuclear stand which resulted in the worsening of both countries' relationship since 1985. All FICs accepted the invitation except Niue and Vanuatu who declined for unknown reason. Each Forum country was represented by its head of government except Tonga (Minister for Foreign Affairs and Defence) and Solomon Islands (Deputy Prime Minister). Some officials reported that the summit was also held to consider other issues such as driftnet fishing, the Gulf crisis, political development in New Caledonia, tourism, energy and economic development. However, political issues such as JACADS and New Caledonia were the main issues. They were emotional and took considerably longer than the leaders had hoped. Apart from dealing with substantial issues, President Bush himself wanted personal ties with the Island leaders. As the Cook Islands Prime Minister, Geoffrey A. Henry, stated in his concluding remarks:

During your term as president, you have been the first to accept so many Pacific leaders to your office. And indeed, as I understand it, it was your own idea to call the summit. And we are taking all this as an indication of your personal interest, and the interest of your administration.\textsuperscript{26}

The cooperative attitude of the US was further demonstrated at the summit when Bush assured the Island leaders that the weapons destruction on the atoll was only temporary, and the safety of the operation was guaranteed. President Bush stated:

We assured the leaders that we plan to dispose of only the chemical munitions from the Pacific theatre currently stored at Johnston atoll, any obsolete materials found in the Pacific Islands, and those relatively small quantities shipped from Germany. We confirmed that these munitions will be destroyed safely, on a prioritised schedule, and that once that destruction is completed, we have no plans to use Johnston atoll for any other chemical munitions purpose, or as a hazardous waste disposal site. We also assured the leaders that the safeguards we are employing ensure there will be no associated environmental damage.\textsuperscript{27}

The US government suggested that a team of Forum scientists visit the facility to make an independent assessment of emission levels, safety standards and the environmental impact. The Forum accepted the suggestion happily, and agreed to send a team of scientists from New

\textsuperscript{25} Although there were some reports that Bush's visit to Hawai'i coincided with his election campaign, his willingness to invite the Forum leaders was still regarded as important.


\textsuperscript{27} Ibid., p.8.
Zealand and PNG. They had various backgrounds and qualifications, ranging from chemical
defence to transport of hazardous wastes. They spent about three weeks on Johnston atoll. The
US government also gave full cooperation to the team by giving access to data and equipment
while they were on the atoll.

As usual, the politics of aid were again exploited by President Bush to persuade the
Island leaders to accept the US plan. At the same time as he assured the Island leaders, Bush
announced several initiatives: (a) a proposal to establish a Joint Commercial Commission with
Island states, to meet each year - at senior government levels - to identify and address
commercial opportunities and trade concerns, (b) a proposal to establish two new funds, an
Asian-Pacific Growth Fund and an Environmental Investment Fund to assist respectively the
private sector and natural resource development, (c) the announcement to begin negotiations to
extend the South Pacific Regional Fisheries Treaty, (d) the establishment of private sector
assistance programs to enhance agriculture and marine resource development, and (e) education
exchange programs sponsored by the East-West Center.28

The Island leaders had no choice but to accept the reality although many of them
remained unconvinced. The shipment of the nuclear waste from Germany and the construction
of the destruction site at the atoll were already underway. The Islanders' serious concerns had
already been explained away by the US leader. Geoffrey Henry put it this way: 'We are happy
for the assurances that have been given. We wish you could tell us that you would break down
JACADS tomorrow. But we know, of course, that cannot be done. That is not sensible'.29

2. Strengthening the Forum's Position with Legal Arrangements

Although the Pacific Islanders' concern on environmental issues started at the Forum's
creation, it did not take the issue seriously until the 1976 meeting when the Papua New Guinea
delegate presented a paper entitled 'Environmental Conservation in the South Pacific'. The paper
outlined the concern felt by the Government of Papua New Guinea and suggested that common
and co-ordinated approaches to development and environmental protection should be adopted
in the region as soon as possible. Prime Minister Somare pointed out:

although the countries of the region were individually small and weak, they were

28. Ibid., pp.8-9.
29. Ibid., p.13.
collectively strong. The Comprehensive Environmental Management Programme, if supported and developed, would help the region to achieve a common approach to development planning and legislation.\textsuperscript{30}

There was a general agreement at that meeting that a regional approach should be sought to deal with problems of environmental management.

In the next Forum meeting, in 1977 in Port Moresby, the proposal was discussed in detail by the delegates. Again Papua New Guinea took a leading role. Various differences were expressed about who would manage and finance the program. Some suggested that this kind of program would be better handled by the SPC and not involve SPEC (now Forum Secretariat). Papua New Guinea disagreed with those views and persuaded the other delegates that environmental management involved the setting up of integrated national policies by sovereign states both for development and conservation. Therefore, it was the Forum, not the SPC, which should be taking the lead on the issue. Nevertheless, Papua New Guinea recognized that the SPC should not be excluded completely from this program, and suggested that the SPC be involved to ensure the widest possible regional benefit. This position was supported by Australia, the Cook Islands, Fiji, New Zealand and Western Samoa although with various degree of reservations. The Cook Islands, for example, did not want to see any other new organisation set up to manage the programme. It did not want to see control of such an important programme in the hands of an organisation that did not belong to the region. Fiji suggested that the programme should avoid a proliferation of funding-agencies. New Zealand was concerned over the cost-benefit aspects of the proposed programme and wondered what effect there would be on the programme should the funding suddenly stop. Nauru was the only Forum member that did not completely support the idea. The Nauru President doubted the financial capability of the Island states to afford such a programme. In his view the programme was too big and too luxurious for the Pacific Island states.

In other words, two main problems arose when SPREP was first proposed: who should take a lead and manage it, and could it be funded? The meeting finally agreed that in the preparation of the proposal, the United Nations Environment Programme (UNEP), the United Nations Development Programme (UNDP) and more importantly, the SPC should be consulted, but SPEC and the SPC should be the only bodies which should manage the programme. On the question of funding, it was agreed that for the first year of operation it would be funded primarily by UNEP and other external sources. In the end the delegates agreed on the formation of a committee comprising officials from the Cook Islands, Fiji, Papua New Guinea, the

\textsuperscript{30} Summary Record of the Eighth SPF Meeting, Port Moresby, 1977, p.20.
Solomon Islands and Tonga to consider the matter and report back to the Forum.

In 1978 the Forum reiterated its support for the continued development of SPREP. Based on the committee's recommendation the Forum then urged its member government to take a united position at the South Pacific Conference held in 1978. At the 1979 Forum meeting SPEC’s Director reported that both SPEC and the SPC had signed the SPREP document, and the implementation of its projects was to commence a year later. The main issue raised at the 1986 Forum meeting in Port Vila was about the location of the SPREP coordinator. Some Forum countries, especially PNG, did not want it located at the SPC headquarters. PNG suggested that it should instead be based in SPEC headquarters in Suva. Because most of the Forum members had no difficulty with that location, the Forum heads of government finally accepted the SPEC Committee general consensus which recommended the SPREP Coordinator remain at the SPC.

At the first meeting of experts of Forum governments in 1983, the SPREP draft convention was discussed. They considered the main sources of pollution, together with some priority management activities identified in the SPREP Action Plan. Therefore, it can be said that the SPREP Convention has its root in the SPREP Action Plan which especially requested 'the development of regional agreements to provide for responsible and effective management of the environment' as one of the four main objectives of the Plan. The main objective of the Action Plan and the Convention are basically the same: the former aims 'to help the countries of the South Pacific to maintain and improve their shared environment and to enhance their capacity to provide a present and future resource base to support the needs and maintain the quality of life of the people' and the later aims 'to take all appropriate measures ... to prevent, reduce and control pollution of the Convention area, from any source, and to ensure sound environmental management and development of natural resources'. The draft was prepared on the assumption that the Convention would be gradually expanded, through the addition of protocols on specific management issues, eventually to provide a legal basis for all aspects of the SPREP Action Plan. At the second meeting of experts, delegates agreed 'on issues related to various forms of pollution from land-based sources, atmosphere, mining, and coastal erosion, to environmental assessment and scientific and technological cooperation, and to nature


conservation and institutional arrangements".  

The Apia Convention (the Convention on the Conservation of Nature in the South Pacific) should be considered with the SPREP Convention. Though there was no deliberate attempt to establish the two Conventions in partnership, they are inter-related. The general objectives of the SPREP Convention give some evidence that it derived partly from the Apia Convention. The Apia Convention was proposed in 1975 at the First South Pacific National Parks and Reserves Conference in Wellington. At Apia in 1976 a draft Convention was put forward and all delegates agreed to support the principles and objectives of the Convention. The adopted text was signed on the spot by Western Samoa, France and PNG. After more than sixteen years, only one other state, the Cook Islands, acceded to the Convention. Australia and New Zealand are in the final stages of accepting. The agreement came into effect after four countries became parties. 

One major reason why progress on the Apia Convention was so slow was because of the decision by the South Pacific Forum and Conference in 1976 to develop a more comprehensive environmental protection programme. The proposal to establish SPREP therefore moved attention away from the Apia Convention. Nevertheless, the Island states recognised that although not in force, 'the Apia Convention could serve as a legal basis for regional cooperation on conservation in the region'. The stated principles and objectives were consistent with the SPREP Convention.

By 1985 the SPREP draft Convention had been negotiated four times by an Expert Group. The main issues outstanding were those of nuclear weapons testing and the dumping of radioactive wastes. The resolution of those two issues helped finalise the draft Convention. The 1985 Forum Communiqué stated:

The Forum reaffirmed its strong opposition to the dumping of radioactive waste in the oceans of the region. Forum members were committed to the early conclusion of the Convention and Protocols being negotiated under the auspices of the South Pacific Regional Environment Programme (SPREP) which would, among other things, preclude the dumping at sea of radioactive waste in the region.

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34. Ibid., p.80.
35. Ibid., p.93.
36. SPREP/SPC Report, Conference on ..., op.cit.
37. For details of the relationship between the Apia and SPREP Convention, see J. Carew-Reid, op.cit pp.95-109.
In November 1986 the SPREP Convention and its protocols were endorsed by the delegates of the South Pacific Conference held in Noumea. Seven countries including the US, France and New Zealand signed the Convention. It requires ten ratifications to enter into force. The Forum had done its best to bring the Convention into force. The Forum meetings in 1987 and 1988, for example, repeatedly called upon all eligible countries to join the Convention. The result was that by December 1991, thirteen countries had signed the Convention and its two protocols and ten governments had ratified them (see Table 8 for details), thus bringing it into operation.

2.1. About the Convention

The Convention, which in full is called the Convention for the Protection of the Natural Resources and Environment of the South Pacific, consists of a main text and is supplemented by two protocols: Protocol for the Prevention of Pollution of the South Pacific Region by Dumping and Protocol Concerning Cooperation in Combating Pollution Emergencies in the South Pacific Region, both adopted at Noumea on 24 November 1986. The significance of the Convention is spelt out in its preamble where all parties recognize:

. the threat to the marine and coastal environment posed by pollution from development;

. the need to cooperate among themselves and with competent organisations to ensure sustainable resource management; and

. the fact that existing international agreements concerning the marine and coastal environment do not cover all aspects and sources of marine pollution and environmental degradation and do not entirely meet the special requirements of the South Pacific Region.\(^9\)

The Convention obliges its parties to adopt measures, procedures and standards to prevent, reduce and control pollution from all sources. The major non-nuclear sources are as follows: oil spillage (article 6), coastal discharges (article 7), offshore mining (article 8), air pollution (article 9), mining and coastal erosion (article 13), and toxic chemicals (articles 10 and 11).

There are also other provisions dealing with the prohibition and management of pollution and related environmental assessment. To combat pollution in cases of emergency, all parties are directed to develop individual and cooperative contingency plans (article 15). Its Protocol on

### Table 8

**STATUS OF THE SPREP CONVENTION AND ITS PROTOCOLS**

*(As of December 1991)*

<table>
<thead>
<tr>
<th>Parties</th>
<th>SPREP Convention</th>
<th>Protocol 1 @</th>
<th>Protocol II #</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Signed</td>
<td>Ratified</td>
<td>Signed</td>
</tr>
<tr>
<td>Australia</td>
<td>24 Nov 87</td>
<td>19 Jul 89</td>
<td>24 Nov 87</td>
</tr>
<tr>
<td>Cook Islands</td>
<td>25 Nov 86</td>
<td>09 Sep 87</td>
<td>25 Nov 86</td>
</tr>
<tr>
<td>Federated States of Micronesia</td>
<td>09 Apr 87</td>
<td>29 Nov 88</td>
<td>09 Apr 87</td>
</tr>
<tr>
<td>Fiji</td>
<td>-</td>
<td>18 Sep 89</td>
<td>-</td>
</tr>
<tr>
<td>Kiribati</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Marshall Islands</td>
<td>25 Nov 86</td>
<td>04 May 87</td>
<td>25 Nov 86</td>
</tr>
<tr>
<td>Nauru</td>
<td>15 Apr 87</td>
<td>-</td>
<td>15 Apr 87</td>
</tr>
<tr>
<td>New Zealand</td>
<td>25 Nov 86</td>
<td>03 May 90</td>
<td>25 Nov 86</td>
</tr>
<tr>
<td>Niue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Belau*</td>
<td>25 Nov 86</td>
<td>-</td>
<td>25 Nov 86</td>
</tr>
<tr>
<td>Papua New Guinea</td>
<td>03 Nov 87</td>
<td>15 Sep 89</td>
<td>03 Nov 87</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>-</td>
<td>10 Aug 89</td>
<td>-</td>
</tr>
<tr>
<td>Tonga</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Tuvalu</td>
<td>14 Aug 87</td>
<td>-</td>
<td>14 Aug 87</td>
</tr>
<tr>
<td>United Kingdom*</td>
<td>16 Jul 87</td>
<td>-</td>
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<tr>
<td>United States of America*</td>
<td>25 Nov 86</td>
<td>-</td>
<td>25 Nov 86</td>
</tr>
<tr>
<td>Vanuatu</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Western Samoa</td>
<td>25 Nov 86</td>
<td>23 Jul 90</td>
<td>25 Nov 86</td>
</tr>
</tbody>
</table>

**Notes:**
- Protocol for the Prevention of Pollution of the South Pacific Region by Dumping
- Protocol Concerning Cooperation in Combating Pollution Emergencies in the South Pacific Region
- Not the South Pacific Forum members

**Sources:** SPREP's *Director's Annual Report 1990/1991*, Noumea, May 1991; Department of Foreign Affairs and Trade, Canberra
Pollution and Emergencies also requires parties to establish procedures to ensure that incidents resulting in pollution are reported as soon as possible. It includes provision for mutual assistance to deal with such incidents, for operational measures, and for sub-regional and institutional arrangements.

Article 10 deals with the prohibition against the dumping of hazardous substances. Its second Protocol on Dumping is designed to prevent this kind of pollution. Article 16 obliges all parties to cooperate in the development and maintenance of legislation and technical guidelines required for the environmental impact assessment of major projects. Its objective is to ensure that appropriate measures can be undertaken to prevent pollution. More importantly, there are two provisions (articles 17 and 18) which deal with scientific and technical cooperation in the fields of research, environmental monitoring and management, and the exchange of information. In this regard, developed countries which are expected to ratify the Convention such as Australia, New Zealand, USA, France, the United Kingdom and Japan, have a very significant role guaranteeing the success of the Convention.

The provision concerning the adoption of rules and procedures about liability and compensation for damage resulting from pollution is spelt out in article 20, and provision on preservation of species and habitats is contained in article 14. The latter requires parties to take appropriate measures to protect and preserve rare or fragile ecosystems and endangered flora and fauna.

The Convention area includes the 200 mile EEZs and the high seas enclosed by them. The prohibition against dumping radioactive matter also applies to the continental shelf, where it extends beyond the Convention area. SPREP therefore claims to exercise jurisdiction over areas of high seas and thus attempts to restrict the freedom of the high seas. On this point it is in direct conflict with the principles of the International Law of the Sea which among other says, ‘No state may validly purport to subject any part of the high seas to its sovereignty’.

2.2. The Negotiations

During the negotiations on the SPREP Convention, the Island states demonstrated an awareness of the issues and a strong unity. The delegates effectively coordinated their arguments

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40. SPREP Convention, article 2(a).

41. See Article 89 of the Law of the Sea.
on complex technical and legal issues. The Islands’ unity was tested especially when they confronted delegates from countries outside the region, such as the USA and France. For the Island states, the negotiation of the SPREP Convention had marked a new awareness of the significance of preserving the environment by working with other countries and regional and international organisations.

During negotiations leading to the agreement, especially at the fourth SPREP meeting of Experts in 1985, there were, as Carew-Reid pointed out, three major inter-related issues on which delegates from the Island states and the developed countries disagreed. First, the geographic area of the Convention, secondly, the dumping and storage of radioactive wastes and third, nuclear testing in the Convention area. The Island governments’ stand is clear. ‘They demanded prohibition of dumping and nuclear testing and pushed for the maximum geographic coverage of the Convention’. On the other hand, the developed countries saw the draft Convention differently. Australia and New Zealand agreed with the majority of the Islands’ view on testing and dumping. But Australia, which was pushing for the South Pacific Nuclear Free Zone treaty in 1983, had different views from New Zealand and the Island states, particularly, on separating nuclear testing from nuclear dumping. Australia argued that the dumping provision should also be included in the Rarotonga treaty, whereas New Zealand and the Island states said no. Lange in the 1986 Forum meeting stated:

Given the complementarity of the Convention and the Treaty, it was better to address the issue of dumping under the SPREP Convention and to pursue the issue of testing directly under the SPNFZ Treaty. To try and do both things in both instruments would jeopardise a significant step forward on dumping.

At that Forum meeting, which was held three months before the SPREP convention was adopted, Lini was the only leader who strongly expressed reservations on the proposed Convention, particularly about the provision prohibiting nuclear testing. Lini understood that the main objective of the proposed Convention was the prohibition of dumping of radioactive waste and not nuclear testing. But he believed that realistically the dumping was a result of the testing - there would be no dumping if there was no testing. The majority of the Forum leaders disagreed with Vanuatu’s stand. They had learned a principle derived from the SPNFZ treaty concluded one year previously. They preferred what they saw as the option most likely to gain acceptance. During SPREP negotiations, France had shown a positive attitude by signing the

43. Ibid., p.89.
44. Summary Record of the Seventeenth SPF Meeting, Suva, August 1986, p.20.
Convention. If the prohibition of nuclear testing was included in the Convention, then France definitely would not sign it, therefore nothing would have been achieved. That was the major reason why the rest of the Island leaders wanted to pursue the concept moderately. They all believed that by pushing the environmental issues strongly they could reach the main goal of putting more pressure on France to stop testing. Nevertheless, Vanuatu’s stand reminded the other Forum leaders that the Forum’s continuing protest against the tests should be voiced in all ways and at all opportunities. Though Vanuatu did not get what it wanted, the leaders agreed on some action that could be carried out by the Forum and this made Lini happy enough. The Forum leaders directed officials who negotiated the proposed SPREP Convention to deal with the question of testing in the Convention as follows:

a) They should ensure that, whether in the preamble or in a resolution of the conference, it is made clear that the opposition of Forum countries to testing continues unchanged.

b) They should endeavour to negotiate general agreement, including agreement from France, that the SPREP Convention will prohibit environmental pollution from nuclear testing.

c) If (b) is not acceptable to all, officials should revert to pressing for a complete ban on testing as such.45

The United Kingdom, which was actively involved in a radioactive waste-dumping programme, had withdrawn from the first SPREP negotiation. The UK, nevertheless, indicated that it might consider becoming a signatory if the Convention wording was acceptable. During negotiations the UK relied on the US which had a similar position, but supported by France, it later ‘refused to agree on banning the dumping of low level radioactive wastes’. The US also did not want ‘to surrender the right under customary international law to prevent or regulate the dumping of such wastes within its 200 nautical miles zone or within its Pacific territories’.46 The US at that time stated that it had no plan to dump radioactive waste in the South Pacific region. More than that, the US suggested that such a Convention should only cover areas of the Island states’ EEZ. The US finally agreed to a dumping ban after several rounds of negotiations, in exchange for the treaty area being whittled down from the original suggested boundaries.47

45. Ibid., pp.22-23.
46. J. Carew-Reid, 1989, op.cit. p.89
The French position was different. Its difficulty derived from its refusal to accept a total ban on the dumping of radioactive wastes under the London Dumping Convention which applies globally and provides for the regulation of dumping of low level radioactive waste. France argued that it would accept the Convention if there was evidence that the dumping of such wastes polluted the marine environment.

After long negotiations, a compromise was reached at the fourth and fifth Expert meetings. The inclusion of a prohibition clause on radioactive waste dumping was agreed to by the US. Other delegations accepted ‘a reduction of their preferred Convention area to one which covered only the 200 nautical mile zone and the high seas enclaves they surround’. Some Island states, particularly the Marshall Islands, strongly contended that the Convention area should be larger. The international waters north and south of the equator encompassed by the Island states’ EEZ should be covered. France’s difficulties with the dumping article remained, but it finally agreed to accept with a reservation. The reservation says:

The Government of the French Republic, in signing the present Convention, declares that, as far as France is concerned, the provisions of the said Convention do not cover wastes and other matters entailing radioactive pollution to a degree less than that prescribed by the recommendations of the International Atomic Energy Agency (IAEA).

Although it was a joint project between the Forum and the South Pacific Commission, the conclusion of the SPREP convention can also be regarded as the Forum’s achievement. The Convention, among other things, precludes the dumping at sea of radioactive waste in the region, a commitment that was also in the SPNFZ Treaty.

2.3. Moves towards Autonomy

The Island states later realised that as there were so many programmes tackled by SPREP, they needed to give it more power and a greater capacity to implement its programmes. The SPREP Secretariat which is attached in the SPC headquarters was inadequate.

Consideration of the possible autonomy of SPREP was first discussed at the Second meeting of the SPREP Steering Committee in Port Vila, Vanuatu, in September 1989. A discussion paper entitled ‘What Future for SPREP?’ outlined matters relating to what was likely
to lie ahead for the programme and how it could best be strengthened to carry out its increasingly diverse and expanding mandate. Delegates at that meeting felt that 'independence was desirable to ensure greater efficiency, to attract additional funding and to cope with the increased role as a coordinating unit which could keep the region abreast of the increasing global environmental activities'. More than that, the Island leaders were aware that SPREP was overloaded. This is reflected in the 1988 Work Programme (over 140 project proposals) and 1990 (over 150 projects proposal). In addition, SPREP had contributed by giving advice, coordinating and implementing environmental programmes in the region. Therefore, it is easily understood why the Island governments wanted SPREP to be an independent, autonomous body, having more authority, able to attract more funds and in turn able to contribute more to the environmental management of the region.

In 1990 the Forum agreed to establish a special Committee, funded by the New Zealand government, to examine future institutional and operational arrangements for strengthening the capacity and efficiency of SPREP. Meanwhile, the Thirtieth South Pacific Conference in 1990 discussed in some detail the emergence of a more autonomous SPREP. The meeting agreed that the SPC Secretary General should delegate to the Head of SPREP 'such full management authority as may be required to give full effect to the autonomy'. The Island states agreed to move the SPREP Secretariat to Apia, Western Samoa. And the SPC, during the initial moving period, gave full continuing support to SPREP. The SPC Secretary General said: 'SPC is delegating these duties to the Director of SPREP and would give every assistance and support to SPREP in its endeavour in this regard and in its efforts to define itself as an organisation in its own right'. Before it moved to Apia in 1992, SPREP had fifteen staff, and after separating from the SPC, it would be joined by a further ten professional and eleven administrative officers. This expansion of staff will permit SPREP to address effectively the wide range of environmental challenges facing the region. Vili Fuavao, the former SPREP Coordinator was appointed as SPREP's new Director and took up the post at the beginning of 1990.

51. Ibid.
3. Attempts to Address Recent Issues

Australian and New Zealand participation in the Forum had brought another benefit for the Island states. The FICs were concerned about their environmental vulnerability and Australia, and to a lesser extent New Zealand, provided current information on environmental issues and at the same time were prepared to help.

At the 1988 Forum meeting in Tonga Hawke was the first Forum head of government to raise environmental issues such as global warming, climatic changes, ozone depletion and hazardous waste disposal. Among those issues climatic changes are the most disturbing because of the uncertainty about its impact. The Pacific region is not responsible for this problem. Small Island states do not have significant greenhouse gas emissions, but they could suffer very badly from its impact from soil erosion, the increase in number and intensity of cyclones, and the destruction of land resources. The worst prediction is the rise of sea level which might destroy the low atolls.

Australia has been very active in international discussions at the UN and the World Meteorological Organisation. Representing the Forum member which had most knowledge on the issue, Hawke undertook to transmit to other Forum members information on scientific developments and responses to discussion at international levels. At that meeting Hawke also suggested that a study be undertaken into the establishment of a network of tidal monitoring stations. Australia, he said, was prepared to finance a feasibility study and contribute financially to the establishment of the network if the result of the study was positive.

Tabai responded to Hawke's offer by expressing full appreciation. Coming from one of the Island states which would be affected by the sea levels rises, he really wanted to follow the latest developments on this issue. Other FICs such as Western Samoa, Tuvalu, Vanuatu, the Cook Islands, Tonga and Fiji supported the offer. Prime Minister Paeniu of Tuvalu said 'the Australian proposal to fund special studies to monitor rising tide levels was very useful and practical'. By 1989, the feasibility study was completed and it was tabled at the Forum meeting of that year. Hawke announced that Australia would fund a core project over the next five years to monitor all aspects of climatic change, including sea levels, temperatures, the frequency of cyclones and changes in rainfall. The total cost over five years was estimated to

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be $6.25 million. Australia also made a long term commitment to the project. It was prepared to provide training to Islanders to ensure they could participate fully in the monitoring process.

Australia’s initiative was appreciated by all Island countries. Not wanting to be left out of the project, Lange expressed his support for the initiative, and at the same time informed Forum members that New Zealand had established a working group to consider all aspects of the issue. Lange suggested that since the Island states stood to suffer most from rises in sea levels, it was important to ensure that regional views on the issue were strongly presented in relevant international organisations. He convinced other delegates that if New Zealand was successful in its candidature for the Governing Council of the UN Environment Programme, it would be prepared to voice the Forum’s concern. The Forum finally endorsed the proposal for a climatic change monitoring network in the Pacific, and supported the need for a regional approach on environmental matters, including the need to put forward regional concerns at international fora.

Australia’s generous offer to fund the monitoring project and others related to the environment in the South Pacific was not isolated. In the same period, Australia was also committed to increase its foreign aid to other developing countries. In 1989, the Prime Minister launched a major policy statement on the environment. The central policy objective was to promote sustainable development as a basis for promoting economic activity in a manner sensitive to the environment. As part of the policy, a four year Environment Assistance Program (EAP) worth A$20 million was established. The EAP aims to give greater priority to environmentally-sensitive projects. In addition to funding the climatic change monitoring network at a cost of A$6.25 million over the next five years, the Australian government continued funding SPREP which amounted to A$80 - 100,000 per year, and gave extra-budgetary support to such events as conferences on the environment. Beside giving support on a regional basis, Australia continues to place priority on providing assistance to South Pacific Island states on a country by country basis.

In 1990, the project was at the implementation stage. At the Forum meeting at that year, Tabai urged that the Forum be represented at two international meetings: namely a UN Intergovernmental Panel on Climatic Change to be held on 27-31 August 1990 and a World

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57. For details of this policy, see the policy statement entitled *Aid and the Environment*, and the Press Release made by Michael Duffy, Minister of Trade Negotiations and Acting Minister for Foreign Affairs and Trade, on 20 July 1989, accompanying that policy, AIDAB Development Papers 1989 No.3.
Climatic Change Conference in October 1990. All heads of government agreed with the proposal. The Western Samoa Prime Minister, Tofilau Eti Alesana, suggested that if there was no Island state able to go, he urged both Australia and New Zealand to represent the region’s interests at those meetings. Australia and New Zealand did not have any objection to voicing the region’s environmental concerns. Both governments accepted that the FICs’ representation at those meetings was very important. Australia and New Zealand agreed to represent the FICs and offered to assist financially if there was any country interested in going to both international meetings. The Forum eventually agreed that SPREP Coordinator (now Director) and other representatives to be drawn from the Forum members should attend those meetings.

4. Conclusion

Protecting the environment was one of the original aims of the Island leaders when they created the Forum in 1971. They opposed French nuclear testing because they believed that it would endanger their environment, and the Forum was the only arena where they could express their views and take concerted actions.

The Forum Island countries have been successful in their efforts to protect their environment: their land, ocean and air have been defended against potentially damaging acts by some industrialised countries. Their attempts to do so has been changing, depending on the outcome of previous methods, the response by industrialised states, and in accordance with the development of the world’s seriousness in addressing environmental issues.

Their first success was in persuading the French to shift from atmospheric to underground nuclear testing in 1974. Though it cannot be said that the change was entirely due to the Forum countries’ protests, they had been putting strong pressure on France, and until recently were committed to continuing protests (see Chapter IV on Nuclear Issues).

The second achievement was stopping Japan from dumping nuclear waste in the Pacific ocean. In addition, the Forum countries persuaded Japan, South Korea, and Taiwan to stop driftnetting in the South Pacific region (for details, see Chapter VII on Fisheries).

The third and the greatest achievement in their diplomacy with the outside industrialised countries was their summit with George Bush. It must be noted that through their joint efforts to protect their environment through the Forum, the voice of the small Island nations has been heard by a super power. The Johnston atoll debate in 1990 brought the Islands leaders and the
Attempts by the Forum countries to influence the outside states that used or intended to use the region as a dumping ground were various: they adopted resolutions after the Forum annual meetings and established treaties that would legally bind them. The Rarotonga Treaty is one which deals with the nuclear testing issues and only one article deals with nuclear dumping. They successfully concluded the SPREP Convention and its protocols, that were not only signed by the Forum countries but also by the targeted countries such as the US and France. The SPREP Convention achieved its major goal: the complete prohibition of low and high level nuclear waste disposal into the ocean, seabed and subsoil. The Convention protects the territorial seas and the EEZs of the Island states, but has no effect on dumping activities carried out in the high seas. Therefore, success in preventing ocean dumping will depend on the cooperation of the nuclear and industrial nations to restrict voluntarily their dumping in the South Pacific region.

The development of an awareness of the importance of the environment in global politics also affects the Island leaders. They quickly addressed issues such as sea level rises, greenhouse effects, and gas emission in their recent meetings. Australian and New Zealand participation in the Forum meetings has brought other advantages: the old administering powers provide information, some of it scientific, and they give financial and technical assistance which are certainly needed by the Forum Island countries. More importantly, much of the success of the Forum Island states was made possible only because of Australian and New Zealand diplomatic leadership in wider fora such as in the United Nations.

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58. SPREP Convention, article 10 paragraph 1.
From the Forum’s establishment leaders of the Island countries were, of course, aware of the importance of trade. During the first Forum meeting in Wellington the Pacific Island leaders discussed the issue at length. This chapter examines the Island leaders’ expectations and the Forum’s achievements in trade and related matters. Emphasis will be given to what the Island leaders initially expected from the Forum and how they formulated policies to achieve their aims. Discussion on the establishment of the trade secretariat, on the origin, implementation and evaluation of SPARTECA (South Pacific Regional Trade and Economic Agreement), on other trade-related matters, and the roles played by Australia and New Zealand will be the main items of this chapter. The experience of the Forum countries in tackling these issues shows how regional cooperation works successfully without necessarily having a final goal in leaders’ mind of political integration - as suggested by functionalists.

1. Initial Discussion of Trade-related Issues

Albert Henry of the Cook Islands was the first leader to introduce a paper on trade in the first Forum meeting in 1971. The paper consisted of four sections: inter-island trade, trade with Australia and New Zealand, protection of Islands’ products and bulk ordering. Henry’s recommendations included the possibility of establishing a ‘free trade union’. He pointed out that inter-island trade was very sensitive and very disappointing because little cooperation among the Island states had been evident. Henry complained that there had not been any trade missions to the Cook Islands from Australia and New Zealand. Although there were different requirements for each member of the Forum, all members were confident that the exchange of trade missions would be beneficial. In order to encourage trade, Henry argued, Australia and New Zealand should give preferential treatment to the Islands, and to combat price rises the application of bulk ordering on a regional basis was needed.

The Cook Islands’ proposal was supported by Western Samoa and Tonga and to a lesser extent Fiji. Fiji criticised the proposal to establish a free trade union as too ambitious if it was

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meant to be like that in Europe. New Zealand agreed with Henry’s proposal and suggested that to advance the proposal, further studies and meetings of officials should be held, for instance, to find out exactly what the seven Forum members produced, how those products were sold, what the difficulties of selling them were and what the potential of the new markets was. Australia was similarly in favour of the proposal. Australia also wanted to increase trade but wondered in which commodities that could be done.

In late 1971 the Report of the officials was discussed at a gathering of trade policy representatives from Forum countries. The officials concluded that a formal economic union was not likely to produce the results needed to expand Island exports. However, other issues pertinent to the development of regional cooperation in trade were identified in the report and the establishment of a regional trade secretariat was suggested.

Henry wanted more trade in the region. He pointed out that cooperation among the Island states was of primary importance. The national goals of the Island states were prosperity and stability and it was generally believed that if stability were achieved then development would follow.

The movement of oranges was seen as an example of the failure of the Islands to trade among themselves. Fiji, the closest neighbouring state, did not buy the Cook Islands' oranges. This was a major concern for the Cook Islands. It was, however, understandable because the price of oranges from the Cook Islands was too high and as a result Fiji bought oranges from Jamaica, a country far from the region.

Another issue discussed at the first meeting was the trade quota. New Zealand, for example, mentioned that each Island state had a quota on certain products such as handicrafts, but in fact only Fiji could fulfil it, others could not. New Zealand claimed it had indicated its good will in assisting the Island states. In 1971 it had reduced import controls and more than two-thirds of its imports were free from quota restrictions. New Zealand had also lifted restraints on almost all agricultural products except wheat. That was done in order that trade would not be restricted.

Important points can be made in regard to the discussion on trade at the first Forum meeting. First, the Cook Islands was the most active among Forum members. Because of its special relationship with New Zealand, the Cook Islands had more trade with New Zealand than was the case with other Forum members. Secondly, discussion centred on trade between Island
states and Australia and New Zealand, rather than among the Island states themselves. Third, the substance of the discussion was to find preliminary ways to promote trade. Other Forum Island states, particularly Nauru and Tonga, were inactive during the discussion. This was a reflection of their careful approach to see where this new organisation, the Forum, would go. New Zealand was certainly the most responsive to demands. Australia at that time was not too sympathetic because trade between Island states and Australia was less than Island trade with New Zealand, and the Australian government at the first Forum meeting was not represented by its Head of Government but by its Minister for External Territories, C.E. Barnes, who had limited authority to speak on behalf of his government.

2. Steps to Realise Expectations

The first Forum meeting in 1971 had set out what the Pacific Island nations expected from the creation of such an organisation. The next task for the Island leaders was to find a mechanism to administer the programmes agreed to be implemented.

2.1. Looking for a Suitable Mechanism

At the second Forum meeting in Canberra in 1972 the Deputy Australian Prime Minister, Doug Anthony, made four proposals: (a) there should be some form of free trade area among the Island members, (b) measures should be taken to strengthen cooperation among the Island states on a number of specific matters such as rationalisation of industrial development and joint marketing arrangements, (c) closer economic and trade relationships with Australia and New Zealand should be negotiated, and (d) some form of secretariat should be established to carry forward work in trade.

The first point was basically similar to that proposed by the Cook Islands and discussed in the first Forum meeting. Anthony argued that for free trade among Island nations to be pursued a detailed feasibility study should be undertaken and a group of consultants might be commissioned. On the second point, he suggested that further meetings of senior officials should be held. On the third point, Anthony said that it was Australia's desire to see the strengthening of trade and economic cooperation between Australia and the other countries in the region.

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2. For details, see also Chapter II, section 3.1.

3. This idea was not developed until 1985 when Hawke stated again that the possibility of closer economic and trade relationships between the FICs and Australia and New Zealand should be examined. The study on this issue was finally completed in 1990. For details, see the last section of this Chapter.

Anthony's statement can be regarded partly as the underlying reason for Australia's participation in the Forum and that is why its energy was directed in part to achieve this end. The Islands were a significant market for Australia and Australia was a market with important growth prospects for the Island nations, although for limited products for certain countries. Australia's regional approach to the Island states was very important: it was designed to support its traditional bilateral approach.

While Australia had hosted the meeting and made some proposals, it never insisted on its proposals to the Island states - for example, the proposal to establish the secretariat. It was up to the Island states to decide whether to proceed or not. If the Islands decided to establish the secretariat, Australia offered to contribute to the cost of its establishment. Australia's commitment not to dominate the Forum was explicitly expressed by one Australian official who reportedly said: 'We will be going out of our way not to dominate the show. We want to be known as a helpful partner in the region. We want to be sympathetically reactive towards their ideas'. The agreement by all Forum members to establish the secretariat was evidence of the seriousness of the Forum leaders in their demands to address trade matters in the region.

In the period between 1972 and 1977 there was further discussion on practical aspects of SPEC but few trade issues of substance were discussed. That period therefore can be regarded as the formulation stage. The implementation stage started in 1978 when the Forum began to concentrate on the real issues. For the first time trade and marketing became agenda items. When invited by the Chairman of the meeting, the SPEC director started by referring to a report prepared by the Commonwealth Secretariat and the SPEC experts entitled 'Industrial Development and Trade Relations in the South Pacific'. The report had been discussed at length by the Pre-Forum SPEC Committee. The Committee considered that the report required detailed consideration and recommended to the Forum that a meeting of senior officials be held. Such a meeting could examine areas in which member countries might assist each other in the development of industry, the expansion of trade and commercial relations and in the creation of an appropriate framework for such assistance.

Another subject raised at that meeting was the question of commodity trade especially taro, a common commodity of the Pacific nations. Other related problems were also addressed, for example, the question of pests and diseases and quarantine. The Western Samoa Prime Minister, Tupuola Efi, confirmed that 'his country had been frustrated in efforts to send taro to

Fiji and to give taro to Niue'. He suggested SPEC conduct further study on that problem to accelerate trade among the Island states.

The Cook Islands was again the Island nation which pushed hard for more trade. In 1978 Albert Henry reminded other Forum leaders of the need to continue finding ways of promoting trade. The Cook Islands was the first Island state to take a real step: it reduced import restrictions for products from other Forum countries. Henry also claimed that to trade with other states outside the region was of paramount importance for the Islands. The discussion became more lively when other Forum members gave their comments and suggestions. The Chief Minister of the Gilbert Islands (now Kiribati), Ieremia Tabai, complained that his government imported much of its requirements from Australia, New Zealand, and Papua New Guinea, but on the other hand, his country which had a surplus of copra failed to export to those countries.

All Forum members agreed at that time to pursue the objective of liberating trade, but what they actually did depended on their political will and what they saw as their self-interest. The Forum leaders said that for the secretariat to function well, some conditions were necessary, for example, all governments should have a clear political commitment both to liberalize regional trade and to provide the secretariat with clear directives on the development of a work programme. To that end, the Forum leaders decided to hold a meeting of ministers of trade to discuss recommendations which would emerge from a senior officials' meeting. It was expected that the ministers would take the political decisions. Mara welcomed such a plan and reminded members that to promote more trade was the sole reason for establishing SPEC in 1972. Mara suggested that officials should address broad issues which might include consideration of the possibility of extending to Pacific countries more favourable trading arrangements such as those which already existed between Australia and New Zealand and between Australia and PNG. The Pacific leaders believed that if the European Community, which was far away from the region, could give Island states very favourable access to its markets under the Lomé Convention, then Australia and New Zealand which were close neighbours could make similar arrangement to promote regional trade.

Mara's suggestion was supported by other Forum Island leaders and Australia and New Zealand responded positively. The Australian Foreign Minister, Andrew Peacock, for example, said:

Australia was keenly interested in measures to improve regional trade, including trade with Australia. To this end, an Australian Trade and Investment Survey mission would

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* Summary Record of the 9th SPF Meeting, Alofi, Niue, 1978, p.35.
be visiting the South Pacific region in the near future to consider investment possibilities and the expansion of imports from Island countries.\(^7\)

Further positive response was received when the Australian Foreign Minister stated that his government was prepared to establish and fund a Trade Commission for the Pacific Islands in Australia (later called the South Pacific Trade Commission based in Sydney) for the purpose of identifying and developing markets in Australia for Pacific Islands exports. A similar offer was made by New Zealand to establish what was then the South Pacific Trade Office based in Auckland. Representatives from both governments said that their governments were eager to see more Island companies and governments use the service to improve their export performance.

2.2. The Establishment of Further Legal Arrangements

2.2.1. SPARTECA: An Overview of Its Establishment

The meeting of trade Ministers in Niue in 1978 produced a report which was regarded as the culmination of action taken by SPEC in fulfilling a decision of the Niue Forum meeting earlier in the same year. The trade ministers meeting in Nukua’lofa, Tonga, in June 1979 reached a consensus on a recommendation to the Forum that ‘early negotiation be commenced between Forum members to establish a comprehensive non-reciprocal trade agreement in favour of the Forum Island countries...\(^8\) The Ministers further resolved:

that it be noted that pending the conclusion of negotiations Australia and New Zealand would continue to give full and sympathetic consideration to a request to provide improved access for products of special export interest to the Forum Island countries.\(^9\)

It was suggested that the director of SPEC could convene a meeting of a committee of senior officials as soon as possible to set up appropriate negotiating procedures and to begin negotiations. All Forum delegates agreed that such a meeting could be held in the second week of September 1979 with the hope that the committee could report to Heads of Government at the 11th Forum meeting in Kiribati in 1980.

During the Forum meeting in 1979, detailed trade-related issues such as what kind of commodities were expected to be covered by the proposed arrangement were examined. Fiji, for example, raised a point relating to trade relations which emphasized that market access should cover all products including agricultural. Fiji further reminded members that the enormous

\(^7\). Ibid., p.38.

\(^8\). The Forum Communique, 1979, p.2.

\(^9\). Ibid.
amount of money contributed by Australia and New Zealand for development purposes would be ineffective without market access. Therefore, as Fiji suggested, trade could complement aid for development. Fiji urged both Governments of Australia and New Zealand to reconsider their stand and if possible to agree to a timetable for a complete removal of tariff and non-tariff barriers for all goods of export interest to Forum states. Fiji’s proposal, supported by other FICs, was the first demand by the FICs against the two bigger powers in the Forum.

Both Australia and New Zealand responded positively. Doug Anthony and Robert Muldoon reminded the Forum’s leaders that most of the imports from Forum Island countries into both countries already enjoyed duty free access and in New Zealand their imports were exempt from licensing and other barriers. What the Forum members actually needed was only a formulation of the existing arrangements and a detailed study to find out other areas where there were prospects for further regional trade.10

At the Tarawa Forum meeting in 1980 a draft agreement for SPARTECA was put forward. The Agreement was seen as a highly important subject and regarded as accommodating the original expectations on SPEC’s establishment in 1972. SPEC had devoted considerable time to assisting and expediting the negotiations. Three sessions were held before the draft agreement was concluded.

During the Tarawa meeting, the Solomon Islands was the first Forum Island state to have reservations about the draft agreement. Its Prime Minister, Sir Peter Kenilorea, was actually authorised by his cabinet to sign the Agreement, but he saw some changes in the Australian stand. He referred to the records of the pre-Forum SPEC Committee meeting and the inclusion of the qualification ‘exotic non-competitive species only’ on certain wood product. According to the Prime Minister, the Solomon Islands wood products would be ‘exotic’ compared to Australian wood products and the word ‘non-competitive’ would seem to create problems of access for these products.11 The Solomon Islands’ reservation was understandable because wood products were the only commodities from the Solomon Islands that would benefit from access to the Australian and New Zealand markets under SPARTECA.

The Prime Ministers Malcolm Fraser and Robert Muldoon responded clearly to the reservation. Muldoon pointed out that there were no restrictions on wood products from the

10. For details, see Summary Record of the Tenth SPF Meeting, Honiara, Solomon Islands, 1979, pp.12-13.
Solomon Islands entering New Zealand, whereas Fraser said that Australia was ready for further consultation. He reminded Kenilorea that Australia had sought from the Solomon Islands Government an indication of the species and quantities of timber it wished to export to Australia and to have them included on the ‘schedules’, but such information had not been provided.12

The second reservation was made by Fiji. Prime Minister Mara noted that Fiji had a problem with the entry of citrus fruit products to New Zealand and timber to Australia. Mara stated that he was not ready to sign the Agreement until the Australian and New Zealand stand was revised satisfactorily.

Delegates from Australia and New Zealand said that their governments were open for further consultation. Australia had produced a ‘positive’ and open-ended list of products for preferential access. New Zealand allowed all Island products to enter its markets without restriction, except a limited number of items which were of particular traditional importance to the Cook Islands, Niue and to a lesser extent Western Samoa. These countries would receive little direct benefit from the Agreement because there would now be greater competition for them. For example, unrestricted access for citrus from Fiji could create serious economic difficulties for the Cook Islands. A similar case applied to PNG which had a special relationship with Australia. The opening of the Australian market for all Island states would create more competitiveness.

Countries which had special relationships with Australia and New Zealand seemed to support the stand taken by both countries. The Cook Islands, Western Samoa, Papua New Guinea, plus Tuvalu and Tonga indicated that they were ready to sign the Agreement, whereas the other Forum members stated that they would sign later when their reservations were accommodated. Some Island states were aware that they should sign the Agreement because it was important in the first instance to reach an understanding on trade relations which would commit Australia and New Zealand to a preferential arrangement. They argued that it was in the interest of all Forum Island members to accept the fact that certain difficulties would remain, such as those in relation to ‘exotic’ items affected by quarantine regulations. Similarly, Australia and New Zealand should also accept the fact that it was only fair that they should be giving the Pacific Islands favourable trade status in view of the high proportion of both countries’ exports into Island countries.

12. Ibid.
After a long discussion, Australia, the Cook Islands, Kiribati, New Zealand, Niue, the Solomon Islands, Tonga, Tuvalu and Western Samoa signed the Agreement. PNG supported the Agreement but for constitutional reasons was unable to sign. Fiji did not sign at that time, and Nauru would only sign if it were included in the definition of 'Smaller Forum Island Countries' stated in article I of the Agreement. The Agreement came into force on 1 January 1981 and as of December 1991, all Island state members of the Forum had become parties to the Agreement. The stated objectives of the Agreement are as follows:

a. to achieve progressively in favour of Forum Island countries duty-free and unrestricted access to markets of Australia and New Zealand over as wide a range of products as possible;

b. to accelerate the development of the Forum Island countries, in particular through the expansion and diversification of their exports to Australia and New Zealand;

c. to promote and facilitate this expansion and diversification through the elimination of trade barriers;

d. to foster the growth and expansion of exports of Forum Island countries through the promotion of investment in those countries;

e. to promote greater penetration by exports from Forum Island countries into the Australia and New Zealand markets through such measures as cooperation in the marketing and promotion of goods from Forum Island countries; and

f. to promote and facilitate economic cooperation including commercial, industrial, agricultural and technical cooperation.15

2.2. SPARTECA: An Analysis

The initial impetus for the agreement arose from the Island states' desire to promote their exports and the positive response given by Australia and New Zealand which had at that time the political will to assist the Forum Island countries. However, the problems underlying Island exports were not carefully identified before the conclusion of the Agreement. Australian and New Zealand officials instead focused on the desirability of measures to improve the access of

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13. The 1981 Forum meeting finally approved the inclusion of Nauru as a Small Forum Island Country, as recommended by the first meeting of the Regional Committee on Trade.


Forum countries to their markets. When SPARTECA was introduced, the FICs had clear expectations. They hoped that this might be a breakthrough for Island products.

The trade balance between Australia and New Zealand and the Forum Island countries had been in Australia’s and New Zealand’s favour. Apart from trade with Papua New Guinea, ‘less than 1% of Australia’s imports and exports are traded with the Island states and that, within this limited scope, there is a more than 2 to 1 trading imbalance in Australia’s favour’.16 There were other figures demonstrating the obvious trade imbalance. Between 1972 and 1978, ‘New Zealand’s trade surplus with all these countries combined totalled $233 million while Australia’s surplus was $1,256 million’.17 New Zealand’s Associate Minister for External Relations and Trade, Fran Wilde, confessed that ‘the unrestricted and duty-free access available to the New Zealand market under SPARTECA has done very little over the years to correct the heavy imbalances suffered by Pacific Island countries’.18 In that period, too, Australia ranked as the most important source of imports for these countries but only fourth as an export destination. The corresponding rankings for New Zealand were fifth and sixth respectively.19 It was a fact that the Forum Island countries faced difficulties in exporting to Australia and New Zealand. Those difficulties were the competitiveness of most of their raw material exports with Australian products, quota and tariff restrictions, and their inability to compete with Asian exporters in labour intensive manufactures.

SPARTECA promised much. It was described as ‘a major step in fulfilling the desire of the Forum to initiate moves towards the promotion of trade relations and the creation of a more just trading agreement in the region’.20 Have the Islanders’ expectations been met? The benefits derived from SPARTECA for the FICs can be assessed firstly by examining the FICs’ exports performance to Australia and New Zealand over the period of 1980-1991 (see Table 9 and 10; and Chart 3 and 4 below).


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Sources:
Table 10


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Notes: - : less than NZ$ 000; n/a: not available p: preliminary cif: cost including freight

Sources:
New Zealand Statistics Department, New Zealand External Trade Imports, 1979-80.
------------------------, Import: Annual Volume, 1982-83; 1984-85; 1985-86.
Exports to Australia from smaller FICs - Cook Islands, Kiribati, Niue and Tuvalu - are insignificant. Except the Cook Islands and Niue, those countries have also insignificant exports to New Zealand. Compared to their exports to Australia, the Cook Islands and Niue sell more to New Zealand. This is not surprising since both Island states have a closer association with New Zealand. There are no exports from the former US Trust Territories (the FSM and the Marshall Islands) to Australia and New Zealand, except in the last two years. Cook Islands' exports to Australia and New Zealand have been relatively stable. Kiribati's exports to both countries declined during 1981-91. Though insignificant, Tuvalu's exports to Australia have been increasing since 1980. Its export to New Zealand increased in the period between 1980-86, but declined drastically to 1991. Niue's export to New Zealand increased to 1984 and then decreased till 1991, whereas its export to Australia increased to 1982/83 and then declined until 1987/88, and since then its exports have been less than A$1000 a year.

The medium size FICs, the Solomon Islands, Tonga, Vanuatu and Western Samoa, all increased exports to Australia and New Zealand from 1980 to mid-1980s, except for Vanuatu's exports to New Zealand. The Islands' exports to Australia in most cases increased after 1986/87. This can be seen as a result of the amendment to SPARTECA which took effect from 1 January 1987. On the other hand, their exports to New Zealand declined or stagnated.

The dominant exporters to Australia and New Zealand are Fiji and Nauru. PNG also has considerable exports to Australia because of historical and economic factors and both countries have a trade agreement called the Papua New Guinea-Australia Commercial and Trade Relations Agreement (PACTRA). PACTRA is a preferential, non-reciprocal agreement between the two countries and came into force on 1 February 1977. Nauru's export is entirely phosphate and Fiji's exports are dominated by gold. Fiji's exports have shown significant growth since 1980. Its exports to Australia declined temporarily in 1987 and to New Zealand in 1988, due to the impact of the military coups in 1987.

In summary, Fiji is the only FIC which has had a greatly improved export performance both to Australia and New Zealand. The others have had minor benefits in terms of increased export values. In total, FICs' exports to New Zealand increased only till 1985 then decreased significantly to 1988. The highest value of FICs' export in 1985 was, as Table 9 and 10 indicate, dominated by exports from Nauru, PNG, Tonga and Western Samoa. It was also in that year that each of those countries had the highest export performance during the eleven-year period. The FICs' total exports to Australia varied. They were stable till 1984/85, increased in 1985/86, decreased in the next two years and from 1988/89 increased until reaching the highest point in
1990/91. Interestingly, the peak performance in 1990/91 was not shared by all FICs. It was dominated by PNG exports which accounted for more than 80% of the FICs' total exports. The second way of assessing the value of SPARTECA for the FICs is to examine the real indirect benefits derived from the Agreement. There are some articles in the Agreement which give the FICs these benefits.

Article VIII, for example, gives the FICs access to economic, commercial and technical cooperation. This includes export development and trade promotion, and industrial and agricultural development. The general implementation of the Agreement is monitored by SPEC's Director, whereas the particular programme of multilateral technical assistance such as access to job training, marketing, infrastructure and trade promotion are provided by the two trade offices (the South Pacific Trade Commission and the South Pacific Trade Office to be discussed separately in the next section). Such assistance will be provided only on the basis of specific requests from the FICs.

After eleven years of operation, the first objective of SPARTECA has largely been met and the only products now not being granted privileged access are footwear, clothing, textiles, motor vehicles, steel and sugar into the Australian market. With the exception of clothing and footwear, and the rules of origin issue, only the bigger FICs are satisfied with that access under SPARTECA. The Agreement cannot avoid criticisms from most of Pacific Islanders who regard it as the great failure of the Forum.

Three major criticisms have been made on many occasions. The first relates to the fact that the liberalization of access provisions in the Agreement have not in fact been very generous. The degree of access given by Australia to the Island states is different from that given by New Zealand. The duty free and unrestricted goods permitted to enter Australia are listed in schedule I and those permitted to enter with limited duty and quantity are listed in schedule II (as of 1987 these schedules were revised and renamed schedule A), and those permitted to enter New Zealand markets are listed in schedule III (amended to schedule B). The 'positive list' used by Australia, for example, has created considerable frustration among the Island exporters.

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21. For details, see the SPARTECA, article VIII, ibid., pp. 7-8.

22. For details see Article III of the Agreement, also as amended in 1987.

23. Schedule 2 (formerly the negative list) which itemised goods facing restricted entry into Australia was removed in 1986. Thus, Australia has only one Schedule, Schedule A. This is also called the 'positive list' and itemises the goods that fall within the ambit of the Agreement. On 1 January 1987, with the exception of textiles, clothing and footwear, steel, passenger motor vehicles, and sugar on which restrictions remained into Australia, all other groups on the Schedules for both Australia and New Zealand were removed.
FICs' exportable products such as soya sauce, plastic garments, rubber rainwear and ballpoint pens and mechanical digging equipment, which are produced in Tonga were excluded from SPARTECA concessions. Other products which the FICs could realistically expect to export such as timber, passionfruit pulp, furniture components and clothing were included in the restricted category.24

Clothing manufacture, for example, is an industry which several FICs optimistically believe has significant export potential. But, because of the Australian policy to restrict the import of textiles, the FICs cannot export to Australia. New Zealand acted differently: it opened its market widely without imposing restrictions. Fiji gained great benefit from the policy. Fiji's textiles were successfully exported into the New Zealand market and even threatened the local textile industries. It was reported that some textile industries in New Zealand collapsed due to the heavy competition from Fiji. More recently, many of the textile industries in New Zealand moved their manufacturing sites and invested in Fiji.25 Australia has a tariff quota applying to household textiles, apparel and footwear, operating from 1 January 1982 till 1989. Also from 1981, the FICs have enjoyed a 'seed' quota for clothing products of 66,000 units per annum which can be imported into Australia duty-free.26 This seed quota, according to Robertson, is in excess of the global quota held by Australian importers. In Australia's view, the objective of the quota was to help in market testing, to encourage follow-up orders from Australian importers with quota entitlements. A problem arose in ensuring a fair share of the quota among the FICs. Fiji, which had more significant capacity in clothing manufacture, used the whole quota in 1981, but in the mid-1980s, SPEC had been given authority by the Forum leaders to allocate the quota among Fiji, Vanuatu, Tonga and the Cook Islands. However, Fiji was the only country to use its entitlement.

The Australian global quota system given to the FICs is in fact the same as that provided

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25. This information has been gathered from various press reports and interviews with Robert Muldoon, Auckland, 24 December 1991, Steve Houlihan, Director, South Pacific Trade Office, Auckland, 19 December 1991 and Gordon Shroff, Director, South Pacific Branch, Ministry of External Relations and Trade, Wellington, 29 November 1991.

26. During the RCT meeting in Nauru in 1985, Australia announced that that quota (66,000 units) would continue till 1988. In fact the TCF (Textiles, Clothing and Footwear) quota was expanded gradually by Australia on 1 January every year starting in 1987. On 1 January 1987 the quota increased to 90,000 units; in 1988 increased to 120,000 units; in 1989 increased to 300,000 units (included the PNG PACTRA quota of 140,000 units); in 1990 increased to 312,000 units (included the PNG PACTRA quota of 146,000 units); and in 1991, increased to 324,480 units.
to exporters from other developing countries. But new suppliers in Island states such as Fiji faced difficulties. Established importers holding quotas have, as Robertson argued, generally been unwilling to buy Island clothing. New importers who had no quota entitlements were less interested in purchasing 'tender quota', because Island clothing did not compete in the high value segment of the market where the cost of purchasing quota can be readily passed on to the final purchaser.27

The second criticism of SPARTECA is, as Robertson argued, that the value content rules 'were severe and have been administered unsympathetically'.28 SPARTECA, as outlined above, provides for duty-free access for unmanufactured goods. Whereas, manufactured products, according to article V of the Agreement, should contain at least 50% FICs or Australian content.29

The 50% rule restricts opportunities to engage in labour intensive light assembly activities, with the object of exporting to Australia. According to Robertson's assessment, to meet the 50% rule raw materials for these activities often cannot be bought from the cheapest international suppliers, but instead Australian suppliers must receive preference. Thus, SPARTECA has been of benefit to some Australian exporters - principally of paper and textiles.30

The third criticism of the Agreement concerns the benefits gained by the smaller FICs. Export statistics as shown in Table 9 and 10 suggest that smaller Island countries have not benefited. They have no exportable commodities to use to compete with products from Australia or New Zealand or even Asia. Though the Agreement offers liberalised access and assists in the promotion of Islands products, it is impossible to change the inherent characteristics of the smaller Island states. Thus, the benefits from SPARTECA are very slight. There is no impact on income and employment in the smaller Island nations. Nevertheless, articles VIII and IX of the Agreement contain explicit recognition of the need for special treatment of smaller Island countries (see also discussion under South Pacific Trade Office and Commission heading).


28. Ibid.

29. For details, see the SPARTECA agreement 1980, article V and as amended in 1985 (entered into force on 1 January 1987).

Apart from Fiji, the FICs generally regard SPARTECA as being of minor importance to their economic development. Their export performance over the period of eleven years does not indicate any great advantages or prospects. Similarly, the absence of foreign investment in all FICs can also be seen as SPARTECA's failure. Various studies suggest that the root of poor performance of the Islands' export sectors is the lack of investment in export industries and that in turn reflects other basic factors. There has been little flow of capital from the capital-rich to the capital-poor countries. It was partly the economic policies of Australia and New Zealand which precluded an outward orientation, and more importantly the FICs' policies which limited the interest of foreign investors. Thus, the problem is not that Australian and New Zealand firms have not invested in the FICs, but that more entrepreneurial and competitive investors from outside the region have not been attracted, except to some degree in the tourist industry. Ieremia Tabai, the former Kiribati President, said:

It [SPARTECA] was in fact signed here [Tarawa], but there is no benefit at all for smaller Island countries. Even our expectation that after the signing of the Agreement the volume of trade between Island countries, in particular Kiribati, and Australia and New Zealand would increase was wrong.31

He had expressed similar concerns in the 1985 Forum meeting. Tabai said that his country did not have anything to export through which it could benefit from the opening up of the Australian and New Zealand markets. If the smaller FICs cannot benefit from the Agreement, they should not entirely blame the Agreement itself. Sese Paeniu, the Director of Economic Planning of the Tuvalu government, suggested that for the smaller FICs to benefit 'there is a need for the Forum to pay more attention to the distribution of benefits by giving more priorities or concessions for smaller FICs.'32 In fact, such special treatment has been legally spelled out in the Agreement (article IX). Moreover, it is important to note that such treatment has been seriously tackled by the Forum leaders since the Forum meeting in Tuvalu in 1984. Given that mandate, the Committee on Smaller Island Countries was established to set up a clear definition of the Smaller Island Countries (SIC). The next year Forum meeting in Rarotonga adopted the Committee's Report. The Report stated:

The characteristics of smallness, isolation, severe lack of resources and vulnerability are particularly acute for Smaller Island Countries of the Forum, namely, Cook Islands, Kiribati, Niue, and Tuvalu. ...They give rise to particularly severe problems in terms of: limited agricultural and manufacturing potential; diseconomies of scale and weak bargaining power; expensive and irregular transport links; [and] inadequate


To meet the special needs of the SIC, the Forum leaders considered a series of proposals to put into effect. The proposals addressed action in the fields of ‘fisheries, transport, tourism, agriculture, external employment, energy, water, culture, minerals, manufacturing, communications and education’. Following the adoption of that Report, some positive responses were made by Australia, New Zealand and Fiji that offered a range of additional benefits and trade concessions to the SIC to assist them with their special development problems. More than that, New Zealand offered a grant of NZ$250,000 annually to fund follow up to the Report. In 1987 a Smaller Island Countries Funding Facility was established and administered by SPEC. In the 1991 Forum meeting, the Forum leaders supported the idea of having discussions among the SIC at the top level. The Cook Islands finally hosted the SIC summit meeting in November 1991. All those efforts suggest that the Forum leaders have taken the issue seriously.

Coming back to the issue of the SPARTECA failure, Tofilau Eti Alesana, the Prime Minister of Western Samoa, also did not want to blame the Agreement. Alesana pointed out:

I do not agree if someone judges SPARTECA as a great failure of the Forum or blames Australia and New Zealand. It is in fact our own fault, we do not have much goods to export. In principle, Australia and New Zealand have been kind enough to launch that initiative. SPARTECA is good, now it depends on individual country to make use of that trade concession. The basic principle to promote Island exports has been in place.

A similar assessment was made by Hammer deRoburt, the former President of Nauru, who said:

SPARTECA is another success of the Forum regardless of what is in practice now. We should not blame SPARTECA if the small island countries could not benefit from it. For them with or without SPARTECA, they are all in the same situation, no significant trade. But we should not forget that for the bigger Island states, with SPARTECA, their trade made tremendous progress. Their exports would not increase significantly without the concession gained from the Agreement.

To improve the Islands’ export performance, R. Falvey, a Pacific Islands economist, in 1985 offered four broad development options:

(i) Further expansion of traditional agricultural exports - such as coconut, logs, fish,
palm oil, and fruit juices.

(ii) Further secondary processing of these traditional exports - such as sawnwood, veneer, furniture and canned foods.

(iii) Assembly type operations based on imported raw materials - such as clothing manufacture.

(iv) Expansion of service activities such as tourism and (in Vanuatu) banking and finance.37

Schedule II of SPARTECA inhibits the second option and the fifty per cent local content rule is a barrier to the development of the third option, so the first option is by far the best. The Islands are small suppliers to world markets which are growing quickly. However, 'Island supplies are inhibited by neglect of agriculture and inappropriate marketing'.38 But this is not the perception in the Islands, where the second and the third options are favoured. These areas, nevertheless, have good prospects, and therefore, long term success in expanding the Islands' trade will depend on policy changes both within the Islands and among their trading partners. This was widely recognised and it in turn resulted in the pressure which led to the changing of SPARTECA in 1985.

2.2.3. SPARTECA: the changes for the future

Forum leaders had designed the Agreement to allow for later amendments. This was stipulated in articles IV and XI. Article IV gives the FICs the right to propose future amendments to goods included in schedule A and B, and article XI authorizes Forum leaders to establish a Regional Committee on Trade (RCT) to review the Agreement. Article XI paragraph 2 of the Agreement states:

The Committee shall have the following functions:

(a) to review the operation of this Agreement and to make necessary recommendations to the Forum;
(b) to consider any matter relating to the implementation of this Agreement;
(c) to review the Schedules; and
(d) to report annually to the Forum through the Director.39

This committee consists of trade officials of the Forum countries, the Director of the South

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39. Article XI paragraph 2 of SPARTECA.
Pacific Trade Office and the Trade Commissioner of the South Pacific Trade Commission in Sydney. They meet annually and report to the Forum meeting through the Secretary General of the Forum Secretariat. Up to 1985 the RCT had conducted five meetings. The RCT meeting in Nauru on 10-12 June 1985 addressed a number of key issues: a statistical evaluation of the operation of the Agreement; a discussion on the possibilities of increasing duty free and unrestricted access to the Australian and New Zealand markets; a report relating to the relaxation of the Rules of Origin; a report of the Working Group on Apparel; and activities undertaken under the economic cooperation provision of the Agreement and the work programme of the South Pacific Trade Commission. The pre-Forum SPEC Committee in 1985 had also spent considerable time discussing SPARTECA. The Committee felt that SPARTECA should be fully supported and strengthened. The Committee also recognised that Forum Island members were disappointed with the levels their exports to Australia and New Zealand had achieved since the Agreement came into force. This suggests that the Islands' high expectations raised in the negotiation of SPARTECA had not been met. The FICs were aware that after four years of operation the Agreement needed a thorough and fair assessment.

In response to the concerns expressed by the Forum Island countries in previous meetings, Australia undertook a major review of the Agreement. In the Forum meeting in Rarotonga on 5 August 1985, Hawke announced major changes to SPARTECA. The changes which applied from 1 January 1987 were as follows:

i. All FICs’ exports, other than those to which Australian sectoral policies apply, would from 1/1/87 enter Australia on a duty free and unrestricted basis. The sectoral policies applied to textiles, clothing and footwear, steel, passenger motor vehicles and sugar.

ii. Australia and New Zealand had agreed to meet substantially the request put forward at the 1984 RTC for changes to SPARTECA rules of origin provisions. These arrangement had been announced at this year's RCT meeting and required legislative amendments.

iii. It has also been decided to extend the special import quota arrangement for apparel at the existing level until the end of 1988.

The changes, according to Hawke, represented a significant liberalization of access to Australian
markets for Forum Island countries. It also represented the limits of liberalization that were then possible for Australia under the present arrangements. More recently, the TCF (Textiles, Clothing and Footwear) plan was amended by the 1991 Industry Statement. It was said that 'the FICs will receive duty-free, unrestricted entry on all TCF products from 1 March 1993'.

The Island countries, especially Fiji, Western Samoa, and the Cook Islands, welcomed the positive measures introduced by Australia. New Zealand also reaffirmed its commitment to SPARTECA. David Lange acknowledged that there had been some differences expressed at various times on the Agreement. The FICs, he said, did not always have a clear understanding of the Agreement. SPEC, Australia and New Zealand had different opinions about the effectiveness of the Agreement. Three of the five items on the negative list of SPARTECA were included to preserve the traditional markets of former New Zealand dependencies, while the other two were for domestic reasons. Lange promised to send a small team to visit the FICs, under the economic provisions of SPARTECA, to consult with officials and the private sector to see how they could benefit from the Agreement.

Kiribati and Tuvalu were the FICs least able to benefit from the Agreement. They have very limited resources and no significant export industries. The access provisions of SPARTECA are clearly of limited value to them. Their perception that the Agreement benefits just the bigger Forum countries such as Fiji is no doubt correct. These two countries agreed with the proposal to reassess the Agreement, but reminded Forum members that such a step should consider carefully the problems of the smaller Island countries. The Forum meeting in Rarotonga finally agreed to evaluate SPARTECA and the possible links with the Australia-New Zealand Closer Economic Relations Trade Agreement (ANZCERTA) as proposed by Hawke. The sixth RTC meeting in New Zealand was given the task and asked to see the proposal. The following RTC meetings discussed this issue in detail. Many delegates of the eighth RCT meeting in Suva, April 1989, expressed their concern that the accelerated development of ANZCERTA would impact negatively on the trade and development prospects of the FICs. That concern resulted in an Australian funded study to look at that implication. The study, completed in 1990, concluded: 'there is little evidence to suggest that ANZCERTA itself will have any substantial trade displacement effects upon FICs in aggregate. However, Fiji which exports a substantial proportion of its manufactured exports to New Zealand may suffer a decrease in relative

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43. Interview with Steve Hill, trade officer at the Department of Foreign Affairs and Trade, Canberra, 7 May 1992.

44. The Agreement was formally signed on 28 March 1983 by Sir Laurie Francis, New Zealand High Commissioner in Canberra, and the Hon. Lionel Bowen, Australian Ministe for Trade.
competitiveness'. The study further stated:

Non-mineral exports from FICs to Australia have declined by 45% in nominal terms since the signing of the SPARTECA treaty in 1981 [1980]. The decline in exports to New Zealand from FICs for the same period was 13%. So dramatic a decrease in international trade following the signing of a free trade treaty is counter-intuitive.

The creation of SPARTECA in 1980 and its amendment in 1986 gave the FICs few benefits. Such a judgement was expressed by the Deputy Prime Minister of New Zealand, Geoffrey Palmer, at the 1988 Forum meeting in Nuku'alofa, Tonga. He said, 'the obvious access was not of great value if FICs had nothing to export'.

The special characteristics of the FICs outlined earlier had been the reason for the failure, though Australia and New Zealand had been trying to assist the FICs through SPARTECA. In short, the failure of the Agreement was not caused by Australia and New Zealand only. These two countries had done their best to help the Island states, although they benefited from the Agreement in terms of the increasing trade with the Island states. Their good intentions can also be seen from the development of the Agreement itself, for instance the readiness of the two countries to revise the Agreement as well as to adjust some of their domestic trade policies. Similarly one cannot blame the FICs. They have had those limiting economic characteristics from when they were still dependent territories. Therefore, the FICs should be fully aware of their conditions and always try to encourage more trade rather than obtain foreign aid which on many occasions has made them sacrifice their sovereign right as independent states. Fiji’s success in generating direct investment in export oriented sectors in recent years can be taken as an example. It indicated what was needed to provide better conditions for both domestic and foreign investment in export industries.

It might also be interesting to look at the advantages SPARTECA gave to Australia and New Zealand. Various efforts by both countries to assist the FICs to promote their own exports had in turn real benefits for Australia and New Zealand. The first benefit was the increased performance of both countries’ exports to the Forum Island countries after the introduction of the Agreement. It was not surprising because even before SPARTECA was concluded trade had been in Australia’s and New Zealand’s favour. Tables 11, 12 and Charts 3 and 4 indicate the

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46. Ibid.
47. Summary Record of the Nineteenth SPF Meeting, Nuku’alofa, 1988, p.12.
Table 11

THE VALUE OF FICs' IMPORTS FROM AUSTRALIA: 1979/80-1990/91
(A$000)

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<td>91,715</td>
<td>103,863</td>
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<td>137,081</td>
<td>119,523</td>
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<td>88,461</td>
<td>119,696</td>
<td>146,844</td>
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<td>2,172</td>
<td>2,379</td>
<td>2,226</td>
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<td>2,576</td>
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<td>18,114</td>
<td>19,055</td>
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<td>753</td>
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<td>920</td>
<td>565</td>
<td>585</td>
<td>597</td>
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<td>8,699</td>
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<td>20,508</td>
<td>17,092</td>
<td>21,609</td>
<td>29,011</td>
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<td>31,932</td>
<td>26,515</td>
<td>31,135</td>
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<td><strong>TOTAL</strong></td>
<td>147,619</td>
<td>207,784</td>
<td>232,886</td>
<td>256,662</td>
<td>267,641</td>
<td>355,176</td>
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<td>266,871</td>
<td>289,327</td>
<td>323,203</td>
<td>371,962</td>
</tr>
</tbody>
</table>

**Note:**
- **fob:** free on board
- **p:** preliminary
- **-:** less than $000

**Sources:**
- --------------*, Overseas Trade, 1987/88*.
- For data 1989-91, supplied by Ministry of External Relations and Trade, Wellington.
total value of Australian and New Zealand exports to the FICs. Those tables have clearly shown
the common increase of their exports, though in some years their exports to some Island
countries experienced ups and downs. The second benefit for Australia and New Zealand was
the improvement of their image in the region. The willingness of both countries to open their
markets to Island products without any forms of restriction, their readiness to assist the Island
states' common problems, and their readiness to sit down and assess the operation of the
Agreement can be seen as positive steps to improve their image in the region. And finally the
third benefit gained by Australia and New Zealand, which can also be regarded as the ultimate
expectation by both countries, is associated with the belief that economic stability of the FICs
would in turn contribute to regional political stability. This stability would help guarantee
Australia's and New Zealand's security. This kind of assumption is not denied by officials of
the two governments.48 Some argue that export stabilisation schemes are a political priority.
Regional export refinancing schemes, the establishment of a regional disaster preparedness body
and a regional reinsurance corporation have all been put forward as appropriate forms of aid
to further mutual economic strength and understanding. Apart from this, 'many Islanders feel
that Australia and New Zealand have a moral obligation to aid the South Pacific, since their
colonial and exploitative connection with the Island countries in the past'.49

Interestingly, the FICs have been trading with other countries outside the region more
than with Australia and New Zealand. Their trade with the EC has been expanded successfully
due to their access through the Lomé Convention.50 The EC has also subsidized Western
Samoa and Tongan exports of bananas to New Zealand with help on a price stabilisation
scheme. The FICs' trade with Japan, Korea, and other Asian countries is moderate, and again
because they have access from the industrial countries' GSP (Generalised System of Preferences)
schemes. It is most likely that any expanded trade of the FICs will be with those countries
outside the region rather than with Australia and New Zealand. They have more substantial
opportunities in the markets of Europe and Asia compared with their traditional markets. It has

48. Confirmed by the Author's interviews with Hon. Warren Cooper, the New Zealand Minister of Defence
(formerly Minister of Foreign Affairs), Wellington, 27 November 1991; Hon. David Lange, former Prime Minister.
For details of both countries perceptions on the security in the region, see Australia's Relations with the South Pacific,
1989, op.cit., pp. 144-60; The Defence of Australia, 1987; and The Defence of New Zealand 1991, A Policy Paper,

49. M. Brookfield and G.R. Ward, (eds.), New Directions in the South Pacific: A Message for Australia,
(Canberra: Research School of Pacific Studies, ANU, 1988), pp. 21-22.

50. The EC under the provisions of the Lomé Conventions has extended preferential entry for goods originating
from its former colonies and other low income countries. In particular the eight FICs belonging to the Africa-
Caribbean-Pacific Group (ACP) enjoy duty-free and quota-free entry of a range of products into the EC market except
for some agricultural products - including beef, veal, fish products, processed fruit, and vegetables - for which there
are quantitative limits as they fall under the common market organisation of the EC.
been evident, as Tables 13, 14 and Charts 5 and 6 indicate, that there are good markets for most FICs’ products - including timber, coconut, tuna, and passionfruit - in the EC, Japan, and the United States. But to encourage trade for the FICs is not easy. Problems such as transport, labour, raw material, and others still need to be solved. And these need a longer time.

2.3. More Efforts to Promote FICs’ Exports

Article VIII of SPARTECA enables the FICs to gain other benefits from the Agreement. Two trade offices to promote trade were established. The one funded by Australia called the South Pacific Trade Commission (SPTC) was based in Sydney and established in 1983; and the other one funded by New Zealand, called the South Pacific trade Office (SPTO) and based in Auckland, was established in 1988. The establishment of SPTC resulted from the offer made by the Australian government at the Forum meeting in Niue in 1978.51 The A$150,000 offer was available annually for an initial five-year period to meet the Commission’s expenses. The main objective in setting up the Commission, as stated by the Australian Prime Minister, Malcolm Fraser was:

To identify products from the Island countries of the South Pacific Forum which can be successfully exported to Australia, and provide commercial information and practical expertise to aid the Islands’ marketing efforts. It will also help Australian companies make contact with Island governments and private companies in connection with other Australian trade and industry-oriented development programs designed to help the Islands.52

These two trade offices initially served thirteen Forum member countries, but from April 1991 they extended their service to two dependent Pacific territories, New Caledonia and French Polynesia. The main role of these offices is to promote the development of exports from the FICs to Australian and New Zealand markets. Therefore, their activities include among other things: conducting trade fairs, market research, tourism promotion, on the job training, advertising, compiling trade statistics, distributing the ‘Marketing Support Fund’, and visiting the FICs.

The existence of the SPTO costs the New Zealand government about NZ$375,000 annually (NZ$300,000 for operating the office, including salaries and NZ$75,000 is in the form

<table>
<thead>
<tr>
<th>Year</th>
<th>All FICs</th>
<th>Australia</th>
<th>New Zealand</th>
<th>EC (excl. UK)</th>
<th>United Kingdom</th>
<th>North America</th>
<th>Japan</th>
<th>China (PRC)</th>
<th>Other Asia</th>
<th>Other</th>
<th>World</th>
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<td>185</td>
<td>106</td>
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<td>197</td>
<td>185</td>
<td>106</td>
<td>43</td>
<td>180</td>
<td>618</td>
</tr>
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</table>

Note: Asian NICs include Taiwan, South Korea, Hong Kong and Singapore.

### Table 14

**FICs' IMPORTS BY COUNTRY OF ORIGIN: 1980-1991**

(US$ Million)

<table>
<thead>
<tr>
<th></th>
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</tr>
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<tbody>
<tr>
<td></td>
<td>Value</td>
<td>Share</td>
<td>Value</td>
<td>Share</td>
<td>Value</td>
<td>Share</td>
<td>Value</td>
<td>Share</td>
<td>Value</td>
<td>Share</td>
<td>Value</td>
<td>Share</td>
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<td>1.6</td>
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<td>2.1</td>
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<td>25</td>
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<td>100</td>
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<td>1,675</td>
<td>100</td>
<td>1,685</td>
<td>100</td>
<td>1,585</td>
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**Note:** Asian NICs include Taiwan, South Korea, Hong Kong and Singapore

**Source:** *UN International Trade Data, June 1993 from International Economic Data Bank, (Canberra: National Centre for Development Studies, ANU, 1993).*
of a grant called the Marketing Support Fund). The SPTC in Sydney cost the Australian government about A$450,000 in 1991/92. Apart from that contribution, Australia has for several years made funds available under article VIII (5) to assist FICs’ exporters with the introduction of their products to the Australian market or the expansion of those already established. In the 1991/92 financial year the allocation was A$500,000. The funds are administered by the Market Advisory Service in the Department of Foreign Affairs and Trade in Canberra.

The establishment of these offices indicated the seriousness of the FICs on trade issues. Australia and New Zealand again played an important role in assisting the FICs. But what benefits have the FICs actually got? They have the wide-ranging services provided by the offices that help promote Islands’ exports. One cannot measure the benefits only in term of money received by the FICs. Most of the money from the New Zealand government, for instance, was spent inside New Zealand, mostly by New Zealanders (NZ$300,000), whereas, NZ$75,000 is the money that really goes to the FICs. But in terms of the FICs’ export performance since those two trade offices were established there is, as Table 9 and 10 show, no significant increase in the last three years - except from the bigger Island states of PNG, the Solomon Islands, Vanuatu and Western Samoa. Their exports to Australia and New Zealand increased moderately in the last three years. Fiji’s exports to New Zealand increased but its exports to Australia decreased, and that was partly because of the two military coups which affected its economy and foreign relations.

The bigger countries such as Fiji have made many requests for grants, but unfortunately the SPTO has a policy of distributing the grant equally and if possible to give priority to the smaller Island countries. In 1989/1990 and 1990/1991 only some countries made use of grants (the Cook Islands, Fiji, FSM, Niue, PNG, Solomon Islands, Tonga, Vanuatu and Western Samoa). Tonga got the highest and then the Solomon Islands. The other FICs such as Nauru, Kiribati, Tuvalu and the Marshall Islands have never used the fund. They did not need it because they do not have any significant exportable commodities. Apart from that expenditure, the fund was also used for what is called multilateral assistance which in 1990/1991 alone totalled NZ$59,767.

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55. See Annual Report to Committee on Regional Economic Issues and Trade, by the Director, the South Pacific Trade Office, Auckland, April 1991, p.3.
From the 1970s to the mid-1980s the Pacific leaders seriously addressed trade issues. Evidence of this can be seen when in the 1988 Forum meeting in Tonga, Heads of Government passed a resolution which renamed ‘SPEC’ the ‘Forum Secretariat’. This reorganisation of the primary institution was aimed mainly to boost the Forum’s capacity in economic-analysis and to encourage international bodies to channel funds to the region through the Forum. The Secretariat has a mandate to tackle the practical problems of development facing its Island members, with strong emphasis on trade, shipping and civil aviation, telecommunication, energy and economic issues. In trade, the Secretariat has been given the task to seek opportunities to modify trade patterns and expand regional trade, including investigating ways in which industrial and other development can be rationalised.

3. Constraints on Promoting the FICs’ Exports

There have been two major constraints on the FICs when trying to increase their export performance: internal and external. The first internal constraint is the Island environment which cannot be altered, for instance weather conditions (including the currently increased incidence of tropical cyclones), and land shortages due to communal ownership and the small amounts of available land. However, careful planning can minimise the impact of some unavoidable geographic factors. The destructiveness of cyclones can be reduced by the selection of crops less susceptible to hurricane damage and choosing a wide spread of production locations away from prevailing hurricane paths so that only a portion of the production base is damaged.

The second internal constraint is the limited progress being made in infra-structure development. Modern telecommunication facilities are vital if an internationally competitive export sector is to be developed. The third internal constraint is the availability of up-dated and relevant statistical data and services provided to foreign investors and traders. The development of research facilities is also of the utmost importance if new export industries are expected to achieve success. There are only two facilities of high research standard in the Islands, one concerned with the PNG cocoa industries and the other with the Fiji sugar industry.

The fourth internal constraint is the lack of manpower skills in the FICs for exporting and overseas marketing. In young and small nations this problem is normal and they have been aware of the need to improve the situation. To do that the FICs should allocate their national resources to conduct development training for skills required for new export industries such as the garment industries, regular training in export documentation, and programmes for developing
local managerial and marketing skills. After the establishment of the two trade offices in Sydney and Auckland, there have been some improvements. The ‘Marketing Support Fund’, administered by those two offices and funded by Australia and New Zealand, was created to assist private entrepreneurs involved in export marketing.

The fifth problem is the degree of private sector participation in trade development. There had been lack of serious commitment from governments of FICs to promote private sector involvement. As a result, the private sector, particularly for some FICs which have achieved a certain degree of advancement in manufacturing and processing sectors such as Fiji, was pursuing its own line of action seeking out business opportunities on the basis of comparative advantage. As Henry F. Naisali, the former Secretary General of the Forum Secretariat, stated: ‘successes by individual private sector enterprises in regional marketing must primarily be as a result of their own efforts, in the absence of a comprehensive regional trading arrangement between the Island countries’. In order to promote exports, the governments of the FICs should establish an environment in which private sector investment, production, and exporting can operate efficiently. They should adopt regulations that create quality guarantees so that a market reputation can be created and sustained. There is some evidence in the Island states to suggest that they favour private sector production as more effective than public sector production, for example in agro/ marine and industrial production. Tourism and regional transport have also been managed by the private sector (transportation, particularly the Pacific Forum Line, will be discussed in Chapter VIII).

The sixth internal constraint, which can be regarded as the root of all internal constraints, is the lack of capital of Island states to promote exports. All FICs, except Nauru and to a lesser extent Fiji, are dependent on foreign aid particularly from their major neighbours in the region (Australia and New Zealand). All Island leaders have been aware of this situation and state that they prefer trade to foreign aid. They do not want to depend on aid, but until recently they cannot deny that foreign aid has supported exports. The Soviet fishing agreement episode highlights the main concern expressed by the FICs, that of economic survival in changing and difficult times. It suggested that they had a strong willingness to trade wherever opportunities occur, whatever the political affiliations of the trading partner. They would prefer trade to aid, but have to face the reality of different levels of economic potential between themselves. Therefore, their expectations are different. For example, a Tuvaluan might well have a different idea of economic development from, say, that of Fijian. This fact suggests that the Forum leaders

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cannot have equality when designing development projects.

In summary, all these internal constraints are related to the production base itself. If the FICs are fully aware of the situation and have a serious desire to improve it, then their trade performance both within the Islands and with their trading partners - inside and outside the region - has potential for growth. But the external barriers must also be faced.

Often the Island exporters have been ready to export Island products to, say Australia and New Zealand. They have sorted out supply and product quality capabilities, identified overseas buyers, agreed on price, quantity, timing and so on, but suddenly they have found out at the last minute that there were non-tariff barriers which blocked their products entering the importing countries. These 'external barriers' take various forms: quarantine regulations, quota systems, subsidies, and food safety and consumer protection laws.

Like other countries in other parts of the world, the Island states cannot avoid the trade barriers of other countries which have been imposed for various reasons, the most common of which is to protect domestic products from heavy competition. Another obvious and understandable problem is quarantine. Officials and exporters of the FICs have been very suspicious of countries imposing quarantine regulations as non-tariff barriers. At the eighth Regional Committee on Trade meeting in Suva in 1989, for example, the FICs leaders clearly stated their opposition to the New Zealand regulations.

This kind of barrier is in place between the Island states themselves. Fiji's quarantine regulations have blocked Tongan tomatoes entering Fiji directly. Tongan tomatoes could only be re-exported by New Zealand to Fiji. But most of the concerns are between the FICs and Australia and New Zealand. For example, Western Samoa regarded the quarantine regulations in Australia and New Zealand as the major non-tariff barrier problem. Tonga similarly expressed concern and quarantine restrictions were one of the reasons why Tonga exported watermelons to Japan. Trade officials of the Cook Islands government were very concerned about the sharp increase in New Zealand quarantine inspection fees. Vanuatu has been frustrated in its efforts to increase trade with Australia by the complex bureaucratic machinery of quarantine regulation. Even Australia itself has faced quarantine regulations in other countries such as Japan. Mango exports from Australia to Japan have been blocked for quarantine reasons and, interestingly, Fiji mangoes have had free access to Japan. Due to Fiji's privileged status its

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57. Interviews with trade officials in Forum Island Countries, during August-December 1991.
mangoes were on the Japan's Ministry of Agriculture quarantine 'white list' (pest and disease free).

The Island countries accused Australia and New Zealand of imposing quarantine regulations as non-tariff barriers, but not all of the Islanders are aware that one cannot direct other countries' sovereign rights to protect their own products, especially agriculture from pests or disease derived from other countries. When asked why New Zealand imposed tight quarantine regulations against FICs' products, Gordon Shroff, the Director, South Pacific Branch of the New Zealand Ministry of External Relations and Trade, responded: 'there are no governments which let a disease come in to their own countries. It is normal that we protect ourselves'.

Nevertheless, there is a positive aspect if the FICs adopt stricter quarantine-related treatment of their exports to meet Australia's and New Zealand's tougher quarantine regulations. The FICs' products will in the future find access to other markets/ countries previously closed for quarantine reasons, but it is a major challenge for the Island states.

To reduce the problem of quarantine regulations, there must be immediate and sustained regional effort and resources put into new methods of quarantine control with upgraded quarantine treatment and supervision facilities. Steps to control agricultural diseases have actually been taken. Australia and New Zealand have not ignored the problem. Both countries have assisted the funding of programmes such as training. Regional organisations have also contributed. The South Pacific Commission in 1989 sponsored a conference in Apia, Western Samoa, to look closely at the issue of tropical fruit fly infestation and to recommend the best quarantine treatment to be adopted. Another project funded by the SPC is the 'Computerized Plant Protection Database'. This database contains information on plant pests, diseases and noxious weeds, their geographical distribution, means of control and the quarantine risk they pose to horticultural trade.

Other external barriers that the FICs face are quota systems, subsidies, licensing systems and other measures. The Island states are only minor players in the commodities affected by these protectionist barriers, whereas the commodities are of major importance to the FICs. The Island states should work hard to negotiate more favourable conditions. Trade officials and traders need to be aware of global developments in the fight against protectionism, especially

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58. Interview with Gordon Shroff, Director, South Pacific Branch, Ministry of External Relations and Trade, Wellington, 29 November 1991.

the progress being made in the Uruguay Round of Multilateral Trade Negotiations and the role being played by the Cairns Group. Fiji is the only FICs member of the Group, and it joined largely at the encouragement of Australia and New Zealand who are very active members of the Group. To follow up global trade developments, New Zealand offered to host a meeting of Forum trade ministers in Auckland at the end of 1988 to discuss GATT's Uruguay Round and trade-related issues. The proposal was accepted by all Forum states.

The FICs also identified transportation - within each country and among themselves and to/from Australia and New Zealand - as one of the major external barriers to increased exports. The Forum leaders have discussed the issue in various meetings and their determination to act was shown when the Pacific Forum Line was established in 1979. Many of the FICs complained that the operation of the Line has not met the Islands' expectations due to the high cost of its operation. The total cargo being carried by those ships is on many occasions low and that increases the freight cost. Shipping companies reacted to criticism of high freight rates and infrequent services to the FICs by pointing to the economic realities of the Island states. If the Island states can increase their exports then the ships can be more frequent and the cost can be lowered (see Chapter VIII).

The last external trade barrier for the Islands exports is, as identified by the Trade Division of the Forum Secretariat, the lack of international marketing capacity in developing their export capabilities. The FICs suffer from inadequate knowledge of foreign markets and supply channels, a lack of marketing expertise, and a lack of government policy and measures for export development. FICs' products lack 'image' in major markets. That was one of the reasons why the Island leaders established trade offices in Sydney and Auckland.

Apart from various constraints outlined above there is another factor which influences the FICs' exports: the vulnerability of the FICs' economies to external shocks. These may be international events which they have no capacity to control. The Island economies are dependent on prices received for primary products such as copra and sugar, and if there are any sudden fluctuations in world market prices, these will seriously affect them because there is no range of exports to balance the rises and falls. A world economic recession can also induce instability and difficult burdens of adjustment in most developing countries including the Island states.

40. Interview with Dennis Miller, Acting Director, Trade and Investment Division of the Forum Secretariat, Suva, 5 September 1991.

4. Conclusion

In the period 1971-1991 the Forum has handled trade issues effectively. Evidence of this can be seen with the agreement to establish SPEC in 1972 and one of SPEC's main tasks was to examine the possibility of creating a free trade area in the South Pacific. This original expectation was unfortunately not met for various reasons, particularly the economic nature of the Island states.

With the failure of having the free trade area, the Island leaders have changed their expectation to something else more visible to achieve. The establishment of various bodies dealing with trade and other economic issues and the conclusion of the trade Agreement have been the Forum's mechanisms to meet Islanders' expectations. But in terms of the trade performance of the FICs, particularly with Australia and New Zealand, then it has not met the Islanders' expectations. Except certain countries such as Fiji, the FICs' exports to Australia and New Zealand did not increase significantly in the past decade. Australia and New Zealand consequently still enjoy a great trade surplus with the FICs. Another interesting feature to note is the fact that the FICs' exports increased with other countries of Asia, Europe and America. It is evident that SPARTECA did not greatly change the FICs' trade performance.

Failure has not, however, been entirely the fault of FICs, or Australia and New Zealand, but was due to the other factors related to specific characteristics of the Island countries. To improve the situation various issues in trade related matters should be addressed in the near future. Having in mind that Australia and New Zealand are no longer their best markets, the FICs should encourage trade with, and attract foreign investment from, other Pacific Rim countries.

Nevertheless, one should recognise that the Forum leaders' determination to address various trade issues also had fruitful side results. Their attempts had, in one way or another, stimulated the development of the Island states' maturity and confidence in tackling trade matters. The Islanders gained from SPARTECA in terms of technical training, trade promotion, staff secondment and so on. In addition, the Forum Island states learned from their negotiations with Australia and New Zealand how to get more equitable market access.

The role played by Australia and New Zealand in addressing trade issues in the region can be seen from two major perspectives. On the one hand, it shows the strong desire of both countries to help improve the economic condition of the FICs. But on the other hand, what they
did for the region has also been for themselves. There is nothing absolutely free in world affairs. Australia and New Zealand have certainly some motivation to help the FICs. They want to increase the trade between the FICs and Australia, and the FICs and New Zealand. A further advantage gained by both countries is negotiating strength with trade partners outside the region. New Zealand has encouraged the FICs to be involved in more global issues such as GATT, and Australia moved to engage the Islands in the Cairns Group and CER. Both New Zealand and Australia acted for their own benefit, though at the same time advantages could be gained by the Island states. The FICs gained knowledge to improve trade performance by understanding global issues, and Australia and New Zealand used the opportunity to increase the strength and standing of the cases they wished to press. Both the Australian and New Zealand governments recognised that their stance on GATT, in the Cairns Group, and in other global fora was not just for themselves but also for the Island states. As Hawke confessed, 'it will not merely be an Australian position, but one endorsed by the Forum countries'.

CHAPTER VII

FISHERIES

For some Pacific Island states, the living marine resources of the ocean have been regarded as the major, if not the only, natural resources with potential for economic development available to them. The maximum exploitation of these resources are urgently needed for the national income of each Island state. The deliberations of the Law of the Sea Conference and the establishment of the Forum Fisheries Agency (later referred to as FFA) by the South Pacific Forum in 1979 have given impetus to the Pacific Islanders to work together to get the maximum benefits from their surrounding seas.

This chapter will attempt to explore the original and increased expectations of the Pacific Islanders in creating the FFA, then examine what the FFA has achieved and where it has failed in multilateral arrangements, driftnet fishing, and the current status of negotiations with Distant Water Fishing Nations (DWFNs). It also tries to explain what benefits have been gained by the FFA member states, and how those benefits have been shared among them. Finally, the chapter will show to what extent the FFA has cooperated with other regional institutions in the region and how the FFA’s success has contributed to the founding body, the South Pacific Forum.

1. THE FFA: ORIGIN AND EXPECTATIONS

The South Pacific Island states quickly responded to the progress made by the UN sponsored Law of the Sea Conference with its Exclusive Economic Zone regime. When the Forum was established in 1971, the Law of the Sea was immediately on its agenda and more importantly it has been discussed annually by the Forum Heads of Government. In the mid 1970s Fiji and Papua New Guinea were represented at UNCLOS III (United Nations Conference on the Law of the Sea). Observers were not surprised when in the 1976 Forum meeting in Nauru the members formalized the idea of regional cooperation on fisheries matters. At that

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1. The analysis here is not solely on the FFA as a single regional body which just deals with fisheries issues. For such an analysis, a team consisting of Francis Bugotu, Sitan and Teekabu Tikai, conducted research: ‘A Review of the Achievements of the Forum Fisheries Agency in its first Decade of Operation’. The report, together with other papers, were presented at the Tenth Anniversary of the FFA in 1989, and later edited by Richard A. Herr entitled, The Forum Fisheries Agency, Achievement, Challenge and Prospects, (Suva: University of the South Pacific, 1990).

2. This Chapter does not attempt to discuss the Law of the Sea issue in depth except for some provisions which are related to the establishment of the FFA.
Forum meeting Fiji and Papua New Guinea tabled papers highlighting different aspects of the international changes proposed to the jurisdictional rights of coastal states over resources in their adjacent waters. The Fiji paper noted:

the need for South Pacific countries to act cooperatively in the management of their marine resources, and it urged that the SPF investigate the establishment of an organisation that would have the specific task of facilitating fisheries cooperation among SPF members. 3

The 1976 meeting also adopted 'the Nauru Declaration' which proposed that the Forum members take note of the importance of the UNCLOS III deliberation. A follow-up meeting of officials was convened to consider:

the timing and terms of the creation of 200 mile zones; the problems and opportunities associated with them; the conservation of marine resources; prospects for joint action and regional cooperation in matters such as surveillance and policing. 4

At the next Forum meeting in 1977 in Port Moresby, Fiji took the above issue further. There was evidence that Fiji had another interest. Fiji wanted the Forum's support for its offer to host the proposed International Seabed Authority. This offer was made by Fiji for three main reasons, as stated by Ratu P.K. Ganilau, Fiji's Deputy Prime Minister:

first, most of the known important seabed minerals were in the Pacific region; secondly, having a major United Nations Agency located in the region would help to focus international interest and attention on the South Pacific; and thirdly, although both Malta and Jamaica had offered to host the International Seabed Authority, these offers had not been accepted by all member states of the United Nations. 5

The meeting agreed in principle to establish the FFA. The Solomon Islands in the meantime proposed that the Agency's permanent headquarters be located in Honiara. The Forum passed a resolution to turn 'in principle' into reality. It undertook to:

establish extended fisheries jurisdiction to the fullest extent possible under international law, and to apply within the zones of individual member countries principles and measures for the exploration, exploitation, management and conservation of the living resources of the sea. 6

The 1977 Forum meeting also adopted 'the Port Moresby Declaration on the Law of the Sea and

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5. Summary Record of the Eighth SPF Meeting, Port Moresby, 1977, p. 29.

6. See the Declaration attached to the Forum Communiqué 1977.
a Regional Fisheries Agency'. The declaration stated the intention of the Forum countries to establish a South Pacific regional fisheries agency whose membership would be open not only to Forum countries but also other South Pacific territories which had interests and supported coastal state sovereignty to conserve and manage living resources in the 200 mile zones. The Regional Fisheries Agency was given the task of establishing an interim Agency office with certain defined responsibilities.

The main objective of the Forum leaders in pursuing fisheries cooperation was to ensure the maximum benefits for the peoples of the Island states in the region. The Island leaders demanded that their sovereignty over their marine resources should remain inviolable. They believed that the creation of the FFA had at least two main benefits. First, it could provide a forum to discuss regional fisheries issues and secondly, it would enable them to cooperate and coordinate their fisheries activities, with the ultimate goal of deriving maximum economic returns. These objectives can be viewed as the Islanders' basic aspirations in creating the FFA.

During negotiations for the establishment of the FFA, major division among the Forum countries could not be avoided. The basis of dispute was whether or not the Agency should also include the DWFNs, and thus make it a broadly based management body. The Forum meeting in 1978 in Niue was decisive and the direction of the Agency was simplified despite several attempts at reviewing the role of DWFNs within the institutional framework in the South Pacific. The Forum countries were divided into two groups. The first group which opposed US inclusion was led by Papua New Guinea and supported mainly by New Zealand and Tonga. The PNG delegate said that his country 'held a strong view that fishing states like the United States should not be entitled to participate'. The delegate further emphasised that 'the United States had adopted an attitude which was directly opposed to that of the countries in the region and to the interest of the Pacific in particular'. The second group which wanted the US inclusion was led by Western Samoa and supported by Australia, Fiji and the Cook Islands. The Western Samoa Prime Minister, Tupuola Efi, said that 'the United States was a super power, and it might be better to have it take part in the Agency's deliberations so that the differences could be more amicably settled between the United States and fishing countries in the South Pacific'.

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9. Ibid., p.32.
The proposed draft Convention\textsuperscript{10} could not be agreed to by member states, especially PNG and the Solomon Islands. Consensus at that stage could not be reached. Efi expressed his disappointment on this. Muldoon suggested that the discussion should not attempt to finalise the matter. Australia supported the New Zealand suggestion and proposed that the draft Convention should be deferred for six months.

Discussion on the Agency’s membership took a long time. But in the end the Forum members agreed to establish the Forum Fisheries Agency with the Port Moresby Declaration as the guide. This meant that DWFNs such as the US would be excluded. The draft Convention was modified and was to be presented in the next Forum meeting.

The Island countries had two main reasons for opposing US membership: ‘first, the US position on tuna, and secondly, a lack of understanding of South Pacific protocol in dealing with important and sensitive issues’.\textsuperscript{11} The US position on tuna was the crucial issue in its proposal for membership. As a means to protect the interests of its powerful west coast purse seine tuna industry, the US, as Doulman pointed out, ‘adopted a national tuna policy which refused to recognise coastal state jurisdictional claims over highly migratory species of fish, of which tuna is the most commercially important’.\textsuperscript{12} Initially this policy was to enable the US tuna fishermen to operate in the EEZs of Central American countries. The American Tunaboat Association (ATA) and the US government contended that the tuna policy had close relations to principles of conservation and resource management. But their main objective in pursuing the policy was ‘to enable the highly sophisticated and overcapitalised purse seine fleet to operate in the EEZs of developing countries without paying access fees for the fish they harvested’.\textsuperscript{13} This policy was, of course, strongly opposed by the Forum countries.

The FFA had its first meeting in May 1979, but it was not until the Tenth South Pacific Forum meeting in Honiara in July 1979 that the Pacific Island leaders formally accepted the

\textsuperscript{10} The drafting of the FFA’s draft Convention was done in 1977 and 1978 by officials of the South Pacific Forum countries and participants from Chile, France, the United Kingdom and the United States of America were also present.


\textsuperscript{12} D. Doulman, ‘Fisheries ...’ in Yash Ghai (ed.), 1990, op.cit., p.211.

Convention establishing the South Pacific Forum Fisheries Agency as an independent legal body. In August 1979 the Convention came into force. According to the Convention, the FFA has the following objectives:

- to coordinate and harmonise policy on the Law of the Sea so as to ensure maximum benefits for the people and the region as a whole;
- to facilitate the development of fisheries and the harmonisation of fisheries policies within the region;
- to promote cooperation in respect of relations between member states and the distant water fishing nations, and
- to improve the capability of member states in the surveillance and policing of the activities of foreign vessels in the region.

These four stated objectives can also be regarded as the legal basis of the Islanders' expectations in creating the FFA, and these were mostly met as the following survey suggests.

Initially 12 Pacific Island states became FFA members (Australia, New Zealand, Western Samoa, Fiji, Papua New Guinea, Solomon Islands, Nauru, Niue, Tuvalu, Kiribati, and Cook Islands) and in 1980 another four states became members (Vanuatu, Federated States of Micronesia, Marshall Islands, and Belau), thus, it now has sixteen members. Belau is the only FFA member which is not member of the South Pacific Forum.

The FFA Convention specifies that membership 'shall be open to (a) members of the South Pacific Forum, (b) other states or territories in the region...'. The Forum Fisheries Committee (FCC), as the FFA's governing committee, had responsibility for considering any applications for membership or observer status. In the late 1970s dependent territories of France, the United Kingdom, and the United States, have applied for membership or observer status. Their applications were rejected due to the fact that those territories, in the opinion of the FCC, 'lacked the competence to uphold the goals and intent of the agency'. The FCC, however, approved applications from the Federated States of Micronesia, Marshall Islands and Belau in the early 1980s prior to the termination of their U.N. trusteeship. The FCC decided 'it was evident that these countries, despite being in the process of decolonisation, could competently

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14. It was also not until 1979 that leaders of the Forum countries agreed that the location of the FFA's Headquarters would be in Honiara, although the proposal by the Solomon Islands government to host the new body was put forward in the 1977 Forum meeting.

15. See SPEC's Director Annual Report, 1979/1980,

16. Article II of the FFA Convention, see Appendix C.6.
meet the objectives of the FFA'.17 Their competence to meet those goals, as Doulman further stated, 'primarily related to their ability to declare unreserved jurisdiction over all living marine resources within their EEZs, thereby asserting a sovereign right over those resources'.18 As dependent territories, they had no authority to exercise this power. Further, in order to participate in the FFA, a territory or country must be willing and able to cooperate with other members without hindrance. In the period between September 1988 to 1989, however, French Polynesia was given 'the opportunity to participate in several meetings and consultations specially aimed at the solution of problems of major concern for all the Island countries of the region, in particular the brutal increase of driftnet activities in the South Pacific'.19

2. FUNCTIONS OF THE FFA

FFA's objectives, membership requirements, functions and mode of operation are set out in its Convention. The Convention is divided into 11 Articles concerned with the Agency's establishment, membership, recognition of coastal states rights, function of the governing committee, staffing and financial matters, function, legal status and privileges, supply of fisheries information, and accession, withdrawal and amendment of the Convention (for details, see appendix C.6).

According to article VII of the Convention, the functions of FFA include to:

(a) collect, analyse, evaluate and disseminate to Parties relevant statistical and biological information with respect to the living marine resources of the region and in particular the highly migratory species;

(b) collect and disseminate to the Parties relevant information concerning management procedures, legislation and agreements adopted by other countries both within and beyond the region;

(c) collect and disseminate to Parties relevant information on prices, shipping, processing and marketing of fish products;

(d) provide, on request, to any Party technical advice and information, assistance in the development of fisheries policies and negotiations, and the assistance in the issue of licences, the collection of fees or in matters pertaining to surveillance and enforcement;

(e) seek to establish working arrangements with relevant regional and international


18. Ibid.

organisations, particularly the South Pacific Commission; and

(f) undertake such other functions as the Committee may decide.  

In order to carry out those functions, the 12th Forum meeting in Port Vila in August 1981 directed the FFA 'to convene at an early stage meeting of officials and appropriate technical experts to discuss, identify and plan a regional research and development programme for the region suited to the needs of its members'. That kind of meeting was held in Honiara in May 1981. A Regional Research and Development Programme (RRDP) was drawn up and members identified and listed in order of priority, thirty different projects and adopted them as the terms of reference for the FFA. In their next meeting in Noumea in August 1981, those 'thirty projects were rationalised and incorporated into eleven programmes which then became the main work programme for the FFA'. Those eleven project areas, in which each project consisted of a range of sub-projects, were:

1. the Agency's establishment with administrative aspects;
2. harmonisation of fisheries regimes and access arrangements between member countries;
3. fisheries surveillance and enforcement in members' EEZs;
4. information services;
5. fisheries development and planning;
6. economic analysis of projects, including marketing and industry studies;
7. fishing patterns of DWFN fleets within the South Pacific region;
8. fisheries training and administration in member countries;
9. administration of the regional fishing vessel register;
10. delimitation of fishing and related zones, and
11. work programme management.

3. ACHIEVEMENTS OF AND BENEFITS DERIVED FROM THE FFA

After only a decade of its operation, the FFA has attained many, but not all of its objectives. The Forum Island countries see its achievements as bringing great benefits to them.

3.1. THE EMERGENCE OF THE NAURU GROUP

The first achievement of the FFA before the conclusion of the US multilateral treaty was the emergence in 1982 of an FFA sub-group called the Nauru Group consisting of the Federated
States of Micronesia (FSM), Marshall Islands, Papua New Guinea, Solomon Islands, Kiribati, Nauru, and Belau. The main reason for setting up the Group was to enhance the Islands' bargaining position in the extraction of fees from DWFN vessels. Not all Pacific Island countries have similar interests in the commercial exploitation of skipjack tuna. Those seven Nauru Group countries, which lie in the north-west of the region, are the areas where most of those resources exist and all have contiguous EEZs.\(^{25}\) Doulman added that there were other reasons for the emergence of the Group: 'all purse seine fishing effort takes place in the zones of the group and an estimated 75% of total access fees paid to South Pacific countries goes to the group'.\(^{26}\)

This Nauru group covers an area of more than 15 million square kilometres representing 68.5% of the total EEZ of FFA countries. About 64% of the world catch of skipjack (about 700,000 tonnes) was taken from this area in 1985, and most of DWFN fishing takes place in these waters.\(^{27}\)

The emergence of the Group was formalised when the agreement, the so-called 'Nauru Agreement Concerning Co-operation in the Management of Fisheries of Common Interest', was signed by the parties on 11 February 1982. It is an international treaty that obligates 'members to adopt common courses of action with respect to their shared fisheries resources so long as the cooperation benefits them without derogating their sovereign rights'.\(^{28}\)

The main objectives of the Nauru Group are concerned with DWFN fleets, particularly in establishing terms and conditions of access, formulating licensing procedures and establishing surveillance and enforcement regimes. To achieve these objectives, the Group promoted the establishment of the Regional Register of DWFN vessels which was approved by the FFC and endorsed by the Forum. This was a very significant step forward in resource management. The terms of access for DWFN vessels were also agreed to by the Nauru Group and endorsed by the Forum in 1982. Under this arrangement, the Nauru Group adopted minimum terms and conditions of access for DWFN fleets licensed in their respective EEZs. The arrangement covers five areas:

i. the Regional Register of Fishing Vessels,
ii. licensing procedures,
iii. the rights of authorised personnel to board DWFN vessels,
iv. catch reporting and the maintenance of fishing log books, and
v. procedures for entering and exiting EEZs and for identifying licensed vessels.²⁹

Heavy penalties are imposed if certain fleets violate the terms of access, for instance, convicted vessels are banned from the entire area of FFA members. The Regional Register now closely controls entry of DWFN vessels and there are some 2300 vessels on the Register.³⁰

Initially some FFA members worried that the emergence of the Nauru Group would lead to a split inside the FFA framework. They were also concerned that FFA's resources would be absorbed by the Group's activities at the expense of the other FFA members. It was later proved that such concerns were incorrect. The Group was in fact not an exclusive club: members could leave and new members join any time they wanted (article X and XI of the Nauru Agreement). More importantly, procedures and approaches towards DWFN fleets adopted by the Nauru Group later became the model arrangements for other FFA members. Cooperative policies adopted by the Group were usually extended to all FFA members quickly. The Regional Register of Fishing Vessels was an example of an instrument developed by the Group and then extended to all FFA members. In addition, the principles of cooperation in the Group were consistent with the FFA goals as stated in the preamble of the Agency's Convention. Doulman pointed out that 'the effective functioning of the Group within the FFA also demonstrates the flexibility of the Agency's membership in accommodating the special interests and needs of its members'.³¹ The emergence of the Nauru Group therefore can be regarded as the first achievement of the FFA.

3.2. ACCESS TO MULTILATERAL ARRANGEMENTS

3.2.1. WITH THE UNITED STATES OF AMERICA

The most notable success of the FFA, which is recognised not only by its members but also by other countries in the world,³² is its achievement in dealing the USA under the multilateral arrangement. During 1987 no FFA members had formal arrangements with the US,


³². The Pacific Islanders' satisfaction with the multilateral arrangement with the US can be seen in their national statements in the Tenth Anniversary Conference in 1989, see R.A. Herr, (ed.), op.cit., pp.29-48. Whereas, recognition of the donor countries' roles can be seen in R.A. Herr, ibid.,pp.49-68.
though several countries such as the Federated States of Micronesia, Kiribati, and Papua New Guinea licensed US vessels on an ad hoc basis.

The United States for some years did not agree with the policy being pursued by the FFA and rejected the claim of the FFA members to ownership of tuna stocks within their EEZs on the grounds that the stocks of tuna were migratory and thus could not be claimed by any single state. As a consequence the US fishing vessels refused to pay fees, because they knew that they could operate unlicensed throughout the Pacific Islands. They knew that they had 'protection from the US fisheries legislation. If they were apprehended for unlicensed fishing in a coastal state's 200 mile zone, they were compensated by the US government under the Fishermen's Protective Act'. The central and western Pacific Ocean, however, has become a major fishing area for the US purse seine fleets. By 1986 the US, after considerable negotiation, at last changed its policy and joined other DWFNs in acknowledging the jurisdiction of Forum Island countries over the tuna resources. So after several years of conflict, the US government and FFA members finally reached agreement on a fisheries treaty in late 1986.

The main reason why the US changed its position is more a political and security matter than economic. The US wanted to restore its good relations with the Pacific Island states after they deteriorated between 1983-1986. This was a great opportunity for the former Soviet Union to win influence in the region, which culminated in the Soviet bilateral fishing agreements with Kiribati in 1985 and Vanuatu in 1987. It was reported that the Soviet Union at that time also made similar approaches to other Pacific Island nations which were in various degree responded to. The US military blamed the US tuna industry for the loss of confidence in the United States in the region and the growth of widespread anti-US sentiment. They also claimed that the US tuna policy and the attitude of the US industry had given the Soviets a strategic advantage in the South Pacific region. It has also been reported that the US Secretary of State, George Shultz, instructed his officials to wrap up the fisheries treaty with the Pacific Island States quickly. This hurry-up can be seen as a way to avoid further embarrassment to the US, such as was caused by the 'Jeanette Diana' incident (the US tuna boat seized by the Solomon Islands


35. For more information of the Soviets' deal with Kiribati, Vanuatu and other Pacific Island states, see D. Doulman, ibid., pp.196-206.
government in 1984), at a time when the US was hoping to increase its Pacific influence in a low key style to counter Soviet’s overtures.

It is worth noting that before that arrangement was reached, the US also announced a special fisheries aid program in 1986 and efforts to negotiate a multilateral arrangement were intensified. Indeed, without the Kiribati bilateral arrangement with the Soviets in 1985, Vanuatu’s similar arrangement in 1987, and to a lesser extent, the Soviet’s increased influence in the region, then it might be assumed that the multilateral arrangement would not have been concluded so quickly. Perhaps long negotiations would have been needed and the FFA would, of course, have worked very hard to pursue its objective. When asked about his Government’s dealing with the Soviet Union in 1985, Teatao Teannaki, the new Kiribati President, simply responded: ‘I do not know why other countries like the United States gave so serious concerns to our own dealing with the Soviet Union. Kiribati is an independent state, thus, it was our own sovereign right to make whatsoever arrangement for the benefit of our people and country’. As the President of a new and small independent state, his remark is understandable. He was not fully aware that the US on all occasions tries to maintain its influence in the South Pacific region, and consequently, always counters any possible threats caused by external powers’ presence, especially at that time by the Soviet Union. In fact, it was not only the US which expressed serious concern on the Kiribati deal, but other forum member countries such as Australia and New Zealand in particular, and to a lesser extent some small countries expressed similar views.

The US multilateral treaty with the Pacific Island countries was signed in Port Moresby

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36. The first arrested US fishing vessel was the ‘Danica’, a 1500 tonne purse-seiner. It was seized by Papua New Guinea in 1982. This dispute was overcome quickly and led the ATA (American Tunaboat Association) to enter into an agreement with the coastal states to pay fees for the right to fish. ‘Jeannette Diana’ was the second US vessel arrested. It was also reported that other US fishing vessels fished illegally in the region: the ‘Carol Linda’ in Kiribati waters, the ‘Lone Wolf’ and the ‘Bold Adventurer’ in the Solomon Island waters. After protests from the Solomon Islands Prime Minister, the US government responded that it was not responsible for the actions of individual vessels. Further information on the ‘Jeannette Diana’ dispute can be seen in the *Bulletin*, 18 September 1984 and *The Australian*, 29 August 1984. The process of the arrest, and its consequences for the Solomon Islands are examined in Geoffrey Waugh, ‘Can Facts be Divorced from their social Context? The Politics of Fisheries in the South Pacific’, a paper presented at the Conference: *Resources, Development and Politics in the South Pacific*, held at the Australian National University, Canberra, 7-9 November 1990.

37. Interview with the Kiribati President, Teatao Teannaki, Tarawa, 27 September 1991.

38. The New Zealand Prime Minister, David Lange, soon after hearing of the deal, tried to discourage the Kiribati government from granting fishing rights to Russian ships (*New Zealand Herald*, 22 March 1985). However, after discussion with the Kiribati President, Ieremia Tabai, when he visited New Zealand in 1985, Prime Minister Lange was satisfied and supported the deal. Lange’s concern was whether the arrangement would involve strategic bases. As evidence of his support, Lange said: ‘revenue from the sale of fishing rights would largely replace British aid to the country, enabling it to become aid independent’. See also *New Zealand Herald*, 29 March 1985, Section I; and *Auckland Star*, 26 June 1985.
in early 1987 (see Appendix C.7 for the full text of the Treaty) and took effect in April 1988 and it 'recognises the jurisdictional rights of FFA member countries over highly migratory species of fish'. The Law of the Sea Convention was the model for the language of the treaty and many of its provisions. All FFA member countries are party to the treaty. Over a five year period, the US industry and government will pay a total of US$60 million to operate in the EEZs of FFA member countries. The treaty will resolve problems of fisheries access for the US purse seine fleet and will repair relations between the US and the South Pacific Island states.

On 15 June 1991 the treaty entered smoothly into its fourth licensing period. At the second annual consultation with the United States in Port Moresby in 1990 it was agreed that the treaty was being administered effectively and that it had greatly enhanced cooperation between the Pacific Islands parties and the United States. It might also be noted that in the third licensing period ‘the number of licensed vessels increased to 50, the maximum number permitted under the treaty and returned a record annual revenue of US$12.98 million’. Treaty payments since the commencement of the treaty have totalled US$36.98 million. Approximately US$3.55 million was available to the Economic Development Fund (EDF) and Technical Assistance project. The total amount already disbursed as 15 % shares for the three licensing periods was US$4.94 million. The total funds available for disbursement on the basis of catch from the first, the second, and the third licensing periods was approximately US$49 million. In 1991 the US indicated its strong interest in supporting the continuation of the treaty. Although the treaty has generally worked smoothly, some difficulties still exist, for example, those ‘associated with incomplete provisional treaty lines (PTL) continued to frustrate the timely apportioning of catches between zones and this delayed distribution of shares to member countries’. Phillip Muller, the Director of FFA, hopes that this difficulty can be overcome during 1991.

No FFA member denies that benefit derives from this arrangement. Though, the number and value of the species of fish in the Island states vary, each of them still receives the

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40. The US fisheries industry only contributed about 10% to these fees.
42. See FFA New Digest, No. 4 July-August 1991, p.1.
43. Ibid., p. 5.
44. Interviews with Ministers of Natural Resources, Directors of Fisheries, Head of Fisheries Division (and other officials who are dealing with fisheries matters) of all FFA member countries, 23 June - 25 December 1991.
15% share of the licence fees. In 1989 this amounted to A$142,749.67. The 85% of the licence fees is shared on the basis of the number of fish caught in each of their waters. This has benefited certain Island states which have ‘more fish resources such as Papua New Guinea, Federated States of Micronesia, Marshall Islands, Kiribati, and Solomon Islands’. Most of the other members, such as Tuvalu, Cook Islands, Niue, Western Samoa, and even Fiji - the second biggest Island state - have gained little from the 85% share. But as a whole, all FFA members recognise the benefits gained. As one of the delegates from the Marshall Islands in the FFA’s Tenth Anniversary Conference in September 1989 said, ‘the US multilateral Treaty was a giant step which proved that we can accomplish projects collectively by using the services of the Agency’. Similar praise of the FFA for its work in the first decade was expressed by other Island states during that conference.

The multilateral Treaty with the US was unique in three ways. Firstly, it pioneered new areas in treaty making. It was the first of its kind in the region, and in the world. It was the first treaty between a single nation (the US) and the region (the Forum countries). The treaty comprehensively covered management, legal matters, enforcement and other relevant subjects. More importantly, its high legal standard became a precedent in the drafting of other agreements and arrangements, and of national legislation, in particular, of provisions relating to the Treaty, flag state enforcement, compliance, reporting and licensing. Secondly, it was the first time that the United States accepted the 200 mile limit. And thirdly, the US agreed to pay, not only for fishing within the 200 mile EEZ, but also for fishing in the high seas.

3.2.2. WITH JAPAN

Japan is another distant water fishing nation in the South Pacific and also the FICs’ second largest aid donor after Australia. Access agreements have been established with FFA members on a bilateral basis at both government and industrial levels. Multilateral negotiations over fisheries with Japan started in 1987 and by the end of 1991 had made very little progress.

At the 1987 Forum meeting the FICs’ leaders endorsed the Forum states ‘adopting a regional or sub-regional approach to fisheries negotiations with the government of Japan as a


45. Interview with Phillip Muller, Director of the FFA, Honiara, 6 August 1991.

matter of priority'. In accordance with this directive member countries have entered negotiations with Japan (Nauru and the Solomon Islands in 1987, Kiribati and Tonga in 1988, and Marshall Islands and PNG in 1989). The progress of the negotiations was very slow. Japan agreed only to further discussions but was not committed to any particular times.

Both the Island states and Japan had a problem with the kind of multilateral arrangement they might have. The Forum countries had refused the US-type treaty with Japan due to the fact that the background and the conditions that led to the conclusion of that treaty were not similar. Unlike with the US, the Forum states have had good relationships with Japan and they did not want to jeopardise them. Though the Forum leaders were sure that the multilateral arrangement with Japan would bring great benefits to the whole region, they wanted to be sure that no individual country would be disadvantaged.

At the beginning Japan did not want a multilateral arrangement. Japan misunderstood the type of arrangement the Island states wanted. Japan argued that it did not need a multilateral arrangement because its bilateral arrangements worked well. It was not until June 1989 that Japan at last agreed to enter into negotiations on a multilateral access arrangement. Both sides met in Port Moresby at that time and some common ground was reached. They agreed to standardize access arrangements and address matters relating to resource conservation and management.

Between mid-1990 and mid-1991, relations between FFA member countries and DWFNs were mixed. Some agreements were terminated because of the failure of DWFNs to meet the negotiated terms of their agreements. All DWFNs opposed the new minimum terms and conditions of access and Japan, in particular, has persistently attempted to maintain that these are inconsistent with international law and practice. Japan incorrectly argued that FFA members were trying to exert sovereignty over the high seas. In Muller's view the position taken by Japan in access negotiation is:

44. The Forum Communique 1987, paragraph 25.


50. Ibid., pp.268-69.

51. These new terms and conditions were initially developed under the Nauru Agreement and Implementing Arrangements, which give added leverage to FFA members during negotiations and added advantage for management and enforcement purposes. These conditions which have been revised recently set the minimum terms under which vessels are permitted access to the various EEZs. One of the revised terms and conditions is the requirement that catch data be provided not only for in-Zone operations but indeed for catches on the high seas as well.
inconsistent with the Convention on the Law of the Sea, its own position on fisheries management, and ... represents a deliberate attempt to prevent FFA member countries from implementing sound management arrangements for tuna in the South Pacific.52

Japanese arguments can, in fact, be viewed as an attempt 'to use the minimum terms and conditions issue as a means to extract agreement from FFA members for Japan to participate in a broadly based management arrangement whereby it would participate in the allocation of tuna stocks between coastal states and DWFNs on the one hand and among the various DWFN fleets on the other'.53 The FFA position is of course not without substantial arguments. Muller strongly believes that the new minimum terms and conditions are consistent with international law and practice and that they are essential for effective fisheries management in the region. Those terms and conditions have been based on considerable research and input from both regional and international bodies.

Although a number of informal consultations on multilateral arrangements with Japan were conducted during 1990, there are still no positive results. The FFA has been 'unable to determine Japan's primary objection to such an arrangement but it appears that it is philosophical rather than substantive'.54 By the end of 1991, Japan, however, indicated that it was still interested in having further consultation with FFA members, but it was predicted that there would be no more progress in the near future. The FFA is frustrated in its failure to have further serious discussions with Japan, especially, when it sees that Japan is currently working out bilateral arrangements with FFA members, such as Papua New Guinea (though not finalised), and Tuvalu (also incomplete).

3.2.3. WITH OTHER COUNTRIES

Since August 1991, preliminary and informal talk has been underway between the FFA and the European Community (especially Spain and France). In September 1990 the FFA's Director visited Brussels for informal discussions on the possibility of starting formal negotiations between the FFA members and the EC for EC flag vessels to carry out tuna fishing in the region. A good response was received from the EC. As Muller stated, 'in a couple of days [August 1991], a delegation of EC officials and tuna industry representatives from Europe will

53. Ibid.
54. Interview with Dr. David J. Doulman, Deputy Director of the FFA, Honiara, 6 August 1991.
be visiting the region on a fact finding mission to evaluate this possibility'. All FFA members are waiting for the result of this arrangement, because they see that the EC's purse seines will be fishing in most of the Island States' waters.

3.3. ACCESS TO BILATERAL ARRANGEMENTS

Other benefits gained by the Forum Island countries from the FFA are its professional advice, and detailed data for negotiation with other DWFNs such as Taiwan, South Korea, Indonesia and Philippines. This service is also important for the Pacific Islanders in cases where they have failed to enter into multilateral arrangement with DWFNs such as Japan as mentioned earlier. In 1990 and 1991 the Agency assisted in bilateral access negotiation as follows:

- Federated States of Micronesia/ Taiwan
- Federated States of Micronesia/ South Korea
- Federated States of Micronesia/ Japan
- Tuvalu/ South Korea
- Tuvalu/ Taiwan
- Tuvalu/ Japan
- Palau/ Japan
- Papua New Guinea/ Japan
- Papua New Guinea/ Philippines
- Papua New Guinea/ Taiwan
- Nauru/ Taiwan
- Nauru/ Korea
- Kiribati/ Japan
- Kiribati/ Taiwan
- Kiribati/ South Korea

With the FFA's existence, the Pacific Islanders have gone a long way from the days when they squabbled individually with foreign fishing interests that have not hesitated to play one Island country against another in negotiations. All those countries are now well informed on all fisheries issues: species, migration, conservation, marketing, management, industry, surveillance, and so on. As a consequence, the member countries are now becoming almost entirely dependent on the Agency for assistance in access negotiations.

The one-voice position of the Island states in their negotiation with DWFNs has been seen as the greatest achievement derived from the FFA's service. The terms and conditions fixed by the FFA have been greatly to the advantage of its members. Indeed, this is what the Forum Island countries expected when they created this agency.

55. Interview with Philipp Muller, Director of the FFA, Honiara, 6 August 1991.

The set of rules adopted by the FFA, however, has not made every member happy. The Island states with few fish resources, such as the Polynesian countries, have benefited more than Melanesians and Micronesians where they have more resources. For example, 15% of the licence fees from the U.S. multilateral arrangement were shared equally to all members. Thus, both Melanesian and Micronesian member countries in this case assisted the other FFA members. That is why the final arrangement is regarded as a matter of compromise which Taomati Iuta, the Vice-President of Kiribati and formerly Minister of Environment and Natural Resources Development, regards as 'good practice for the spirit of regional cooperation'.

The Polynesian countries such as the Cook Islands, Western Samoa, and Tonga do not deny that they gained greater benefits. Both the Deputy Prime Minister of the Cook Islands, Inatio Akaruru, and the Secretary of Foreign Affairs of the Cook Islands, Aukino Tairea, agreed that 'for the spirit of solidarity we also contributed to the operation of the Pacific Forum Lines, although we know we have nothing to gain from its services'.

Vice President Iuta also observed that the standard system applied on the minimum fishing fee, for example, has disadvantaged the Island countries where fish is the only exportable commodity contributing to that country’s revenue. Take for example, Papua New Guinea which has other important natural resources and can make stronger demands on the DWFNs. In its negotiations with Japan, PNG demanded a higher percentage of the licence fees, and this was why the arrangement with Japan was suspended. But should Kiribati follow PNG to demand more just to standardize the system? Then, Kiribati will lose about A$6 million. Thus, in practice, each Island state still has some independence on some of the terms and conditions adopted by the FFA.

Also under the US multilateral arrangement, the 85% licence fees shared on the basis of fish caught regardless of other considerations has disadvantaged Island countries geographically farther from DWFNs such as the U.S. and Japan. Foreign fishing vessels will certainly be more active in areas nearer to them, say for example in the Federated States of Micronesia or the Marshall Islands rather than in Kiribati’s waters which are further to the south and consequently more expensive to exploit. No wonder a country such as Kiribati prefers having bilateral arrangements with Japan, Taiwan, and Korea.
3.4. ACCESS TO INFORMATION

The achievements of FFA members both in multilateral and bilateral arrangement with other countries outside the region would not have been realised if the Island states had not been well informed on all related fisheries issues. The FFA has done an effective job in assisting member countries by providing data. The Forum Fisheries Committee deserves full credit for its thought from the beginning to include a ‘current information system’ as one of the work programmes of the FFA.

Supported by sophisticated, computerised equipment, funding from donor countries and a highly professional staff, the FFA has been successful in assisting member countries by supplying detailed and regular information in the fastest way. The system network adopted by the FFA are in various forms, from a telex and newsletter service (called ‘News Digest’) to a more efficient way of transmitting information by facsimile or direct phone communication. The information it provides includes material, ranging from types of vessels to economic information. So the information can reach the receivers (usually the fisheries division in the Ministry of Natural Resources in each member state) on a timely basis, the FFA has usually to send two copies, one to the Ministry of Foreign Affairs (based on the agreed procedure) and another copy directly to the fisheries division in each member government. This system has certainly been costly, but it is used only with the most important messages.

To illustrate how the FFA has been working hard to give information, Ueta Fa’asili, Chief Fisheries Officer of Western Samoa who has been involved in fisheries issues for more than 15 years, said:

I think the FFA is the best regional organisation in the region. It served member states more than what the Pacific Islanders expected. It did not only supply us with the regular and up dated information but also responded very quickly when certain member countries requested. When I needed information, I could get it in a couple of minutes by ringing Honiara [FFA’s Headquarters]. More than that if I knew one of the FFA’s staff is in the field, say for example in Tonga, and if I needed to, I could ask him to come here to Apia. Though it was not on his official route, he came here to help.

Asked whether what he had done was breaking standard bureaucratic machinery in his own government, especially the Foreign Affairs Department’s official channel, he responded:

I knew I broke the arrangement, but I considered the matter to be urgent and needed fastest solution. I was sure that it was good for the people and this country. Why should somebody blame me? More importantly, I knew very well everybody in Foreign Affairs. So everything was easy. That was what I did first, then I followed the procedure. So far

59. Interview with Ueta Fa’asili, Chief Fisheries Officer, Department of Agriculture, Forests and Fisheries of Western Samoa, Apia, 12 November 1991.
there was no problem at all, that is why I judged the FFA as the best organisation serving this region.\textsuperscript{60}

It is worth noting that similar praise has been given by all of the fisheries officials throughout the region. It is evidence that the FFA has been successful in serving its member states in the region, and in turn, it contributes to the success of the South Pacific Forum as its founding organisation. The Island states' expectation that 'the creation of the Agency was intended to meet certain immediate information needs'\textsuperscript{61} was fulfilled.

3.5. FFA'S ROLE AS A FOREIGN AID COORDINATOR

All FFA's successes would not have been achieved without contributions from all sides. Its members' financial contributions were not enough. Its role in attracting aid from donor countries outside the region, as well as its success in managing, monitoring and auditing them should be recognised. Without foreign aid, which contributed mostly to the infra-structure (building and buying sophisticated facilities), hiring professional and technical experts, training, workshops, publishing and various projects undertaken both on a regional and national basis, the FFA would never have progressed so quickly, including, of course, the conclusion of the multilateral treaty with the US. In order to maximise its effectiveness, there was and is a need to coordinate the fisheries aid funding in the region and the FFA has done this well.

From its establishment twelve years ago, the FFA received foreign aid from various donors, mainly from: AIDAB (Australian International Development Assistance Bureau); CIDA (Canadian International Development Agency), and ICOD (International Centre for Ocean Development); CFTC (Commonwealth Funds for Technical Cooperation), UN Specialised Agencies (FAO and UNDP); OFCF (Overseas Fishery Cooperation Foundation, a non-profit organisation in Japan); NZODA (New Zealand Official Development Assistance); USAID (the United States Agency for International Development); and from 1990, EEC. Chart 7 shows how the FFA has been successful in attracting foreign aid from various donors (countries/organisations) in the first decade, 1980-1991, and how the donors' commitment has been increasing from year to year.

Table 15 shows the increase in foreign aid to FFA in the first decade of its operation:

\textsuperscript{60} Ibid.

\textsuperscript{61} Summary Record of Ninth SPF Meeting, Alofi, 1978, p.24.
from only SI$277.456 in the first year (1980) to SI$1.928.341 in the seventh year (1986), and SI$7.776.435 in 1991. On the one hand this increase can be seen as success in attracting foreign aid, but on the other hand it can also be argued that this increase ought not continue in the long term. If FAA’s annual revenue derived from foreign aid (trust fund) is compared with its members’ contributions (general fund) then it can be seen how big the gap now is (see Chart 8 and Table 15). The concern is, to what extent and for how long will each donor country commit itself to assisting the FFA? It might be better for the FFA to quickly find ways of reducing its dependency on external revenue.

Perhaps one of the foremost steps should be to set up a long-term strategy which gives priority to educating Pacific Islanders to manage the FFA. This does not mean that the FFA should give them highly technical positions now, but train them to become specialists in all fisheries matters. It is a fact that many of the donor countries gave their aid in the form of salaries to be paid to certain specialists who in most cases were experts from the donor nations. If we see the list of FFA staff, it is clear how many technical staff come from overseas compared with the Pacific Islanders who work mostly in administrative and clerical roles. This indicates how the FFA depends mostly on expatriates, and also shows that, in terms of employment, it does not give equal chances to Pacific Islanders. But of course, it is not an easy task to find Pacific Islanders who have the high qualifications needed for those particular responsibilities. In view of the huge amount of money spent on experts’ salaries and to reduce aid dependency in the future, it is time that the FFA made a long term plan to transfer expertise to the Pacific Islanders, although it needs a long period to achieve that goal. The foreign aid usually spent on expatriates’ salaries would then be allocated to other more visible and valuable projects or expenditure which directly benefits the Island countries.

However, there is another positive aspect of involving expatriates of donor countries in the FFA. The relationship between the FFA and individual donor countries has been very close and deals can be made smoothly among them because of the expatriates’ role. In negotiations, for example, the donor country is easily convinced by its own people involved directly in the FFA rather than by the Pacific Islanders working in the same office. Julian Dashwood, a former Secretary of the Fisheries Department of the Cook Islands government who is now working as a Fisheries Consultant at the South Pacific Commission, confirmed this.62

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62 The author’s interview with Julian Dashwood, former Secretary of the Fisheries Department of the Cook Islands government and now Fisheries Consultant at the South Pacific Commission at the Dateline International Hotel, Nuku’alofa, Tonga, 1 November 1991 after the 31st South Pacific Conference.
### Table 15

**FFA’S ANNUAL BUDGET: COMPARISON BETWEEN GENERAL AND TRUST FUND (Actual)**

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<tr>
<td><strong>GENERAL FUND</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Members Contribution</td>
<td>230,000</td>
<td>618,298</td>
<td>688,000</td>
<td>906,403</td>
<td>969,847</td>
<td>1,037,742</td>
<td>1,143,840</td>
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<tr>
<td><strong>TRUST/ EXTERNAL FUND</strong></td>
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<tr>
<td>AIDAB</td>
<td>98,986</td>
<td>256,271</td>
<td>636,494</td>
<td>790,019</td>
<td>775,168</td>
<td>1,323,284</td>
<td>1,732,600</td>
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<td>CFTC</td>
<td>-</td>
<td>136,774</td>
<td>183,508</td>
<td>154,066</td>
<td>97,427</td>
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<td>CIDA</td>
<td>-</td>
<td>467,027</td>
<td>371,154</td>
<td>593,047</td>
<td>1,275,448</td>
<td>1,267,539</td>
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<td>EC</td>
<td>-</td>
<td>42,071</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>118,300</td>
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<td>ICOD</td>
<td>-</td>
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<td>568,196</td>
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<td>1,181,160</td>
<td>1,398,011</td>
<td>1,148,255</td>
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<td>NZODA</td>
<td>130,668</td>
<td>87,887</td>
<td>237,669</td>
<td>200,504</td>
<td>256,255</td>
<td>363,294</td>
<td>483,362</td>
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<tr>
<td>UNDP/FAO</td>
<td>41,628</td>
<td>393,045</td>
<td>348,635</td>
<td>400,782</td>
<td>437,705</td>
<td>-</td>
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<td>US Treaty</td>
<td>41,628</td>
<td>393,045</td>
<td>348,635</td>
<td>400,782</td>
<td>437,705</td>
<td>-</td>
<td>-</td>
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<tr>
<td>USAID</td>
<td>-</td>
<td>2,530</td>
<td>68,787</td>
<td>181,786</td>
<td>298,588</td>
<td>424,075</td>
<td>801,103</td>
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<tr>
<td>Miscellaneous @</td>
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<td>44,593</td>
<td>128,093</td>
<td>245,146</td>
<td>388,060</td>
<td>683,885</td>
<td>599,131</td>
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<tr>
<td><strong>Total Trust Fund</strong></td>
<td>277,456</td>
<td>1,928,341</td>
<td>3,941,201</td>
<td>4,605,261</td>
<td>6,084,431</td>
<td>7,171,321</td>
<td>7,776,435</td>
</tr>
</tbody>
</table>

**Notes:**
1. The General Fund consists of contribution from FFA members and others such as staff rent, interest, and miscellaneous sources which are not included in this Table.
2. The Total of the Trust Fund in 1980 included the General Fund
3. @ Miscellaneous sources consist of bank interests, gains from exchange rate, rent, etc.

Chart 7: The FFA's External Fund

Chart 8: The FFA's General and Trust Fund
It would be unfair, however, not to mention that the FFA has, in fact, already assigned high priority to manpower development. The Agency has undertaken two levels of training: first, formal university level which is carried out under the Agency’s Ocean Resources Management Programme (ORMP) at the University of South Pacific’s (USP) main campus in Suva, and secondly, training aimed at the enhancement of work skills. This involves a range of topics and activities, such as computer training, data analysis, staff management and the development of accounting systems. Other forms of upgrading manpower development are the attachment of some fisheries personnel of member governments to FFA’s Headquarters in Honiara. Also, seminars and workshops are conducted both at the level of the national governments as well as at the regional level.

In the short term, the FFA has met expectations by giving member countries access to manpower development, but, the Agency should address, as a long-term objective, other ways of educating more Pacific Islanders in specific subjects or skills and on a continuing basis (more detailed discussion of personnel issues in the Forum can be seen in Chapter II section 3).

3.6. FFA’S CLOSE COOPERATION WITH OTHER ORGANISATIONS

The earlier discussion has already indicated how the Agency has cooperated with other regional and international organisations. It has cooperated with them more than required under its mandate of 1979. Article VII paragraph e of the Convention, for example, directed the FFA to cooperate only with the South Pacific Commission. However, it has demonstrated that it could successfully cooperate with other regional and international organisations.

Before the FFA was created, fisheries issues were handled by the South Pacific Commission, mainly special matters relating to biological research. From its establishment the FFA had tried not to duplicate any of the work done by the SPC. The Agency is closely associated with the legal and economic aspects of fisheries. Nevertheless, some duplication cannot be avoided, especially in these two primary areas: ‘the regional database function and the Inshore Fisheries Research Project. Both areas have been addressed and satisfactory arrangements are now in place, with the guiding principle being the maintenance of an optimum level of service to member countries’, 63 both individually and regionally.

The Agency also cooperates with the USP, specially on education and training matters.

The earlier description of the joint training programmes between FFA and USP is the form of cooperation which will be maintained. In addition, USP Press recently published the proceedings of FFA’s Tenth Anniversary Conference.

3.7. TO STOP DWFNs' DRIFTNET FISHING

One of the issues discussed extensively by the South Pacific Forum meetings is driftnet fishing of DWFNs in the region. Again, inspired by their desire to exploit their waters, which in most cases are their only resources, to the maximum way but without destroying the marine life, in particular, the Albacore Tuna in the southern part of the region, the Island states united to protest against the DWFNs who use driftnets. Japan, Taiwan, and the Republic of Korea - countries who use this technique - became the prime target of the Island states' opposition. This section will show how, through the FFA, the Pacific Island states have been successful in pressing those countries to cease using driftnets.

Driftnetting is the most spectacular system in fisheries technology. More than 150 vessels may be using this technique. The nets are 15 metres deep and up to 60 kilometres long and catch indiscriminately. In the South Pacific driftnetting takes place outside the EEZs of FFA members, mostly in areas lying to the east of New Zealand and between Australia and New Zealand. It is estimated, however, that the vast quantities of fish being harvested are likely to have an effect on the resources of the FFA members.

Serious efforts by Pacific Islanders to discuss the driftnet issue on a regional basis both through fisheries officials’ meetings and through the FFA have been made from 1988. The first regional consultative meeting involving fisheries officials from the region took place in Fiji in 1988. The meeting concluded that the increased number of driftnet vessels posed a serious threat to the long term sustainability of the South Pacific albacore resources as well as a threat to the environment because of the nature of their catch which is an indiscriminate taking whatever living resources are in the ocean. Following that meeting, a plan of action has been put into operation. There is a regional embargo on the acceptance of driftnet caught fish by canneries and cold stores, a ban on transhipment within the region, and more importantly the

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64. For the background, technicalities and economics of driftnetting, see Samuel LaBudde, Stripping the Seas: A Global Perspective on Driftnet Fisheries, a report and documentary prepared by Earthtrust, (Honolulu: 1988), pp.6-10.

65. Most of the information here is based on the author’s interviews with the FFA’s Director, Deputy Director and other Officials, and library research conducted in the FFA’s Headquarters in Honiara, Solomon Islands, 4-11 August 1991. All fisheries officials of FFA member countries have also been consulted to assess FFA’s achievements.
In Fiji in March 1989 the second meeting was held and members reiterated their commitment to reducing the threat of driftnetting. In May the same year the FFA conducted its annual meeting in the Marshall Islands and further developed an effective policy. A meeting of legal officials at the FFA Headquarters in the Solomon Islands then identified measures that could be taken to develop a legal basis for the development of a conservation and management strategy for the South Pacific albacore on the high seas. They concluded that:

the practice of driftnetting was not consistent with international legal requirements in relation to the rights and obligations of fisheries conservation and management on the high seas and environmental principles and the rights of coastal states.66

The FFA member states confirmed the solidarity of their opposition to driftnet fishing in a meeting when they negotiated a multilateral arrangement with Japan in the following month.

In late June 1989 the third meeting of the Pacific Island states was held, and again in Fiji. The meeting reviewed recent developments and discussed strategy to persuade the driftnet fleets to cease their operations. Immediately after that meeting, another meeting involving the Pacific Island states, Japan, Republic of Korea, Canada, U.S.A. and Taiwan was held for the first time. However, the meeting failed to reach a common position on the future of driftnet fishing, although the Republic of Korea indicated that it would withdraw its vessels from such activities.

Their efforts culminated when the South Pacific Forum meeting in Tarawa on 10 - 11 July 1989 issued what is called the 'Tarawa Declaration'67 which bans all fishing activities using driftnets. The Declaration was initiated by Prime Minister Hawke and it 'commends the Republic of Korea for its decision to cease driftnet fishing in the region and calls on Japan and Taiwan to follow this example and abandon immediately their damaging driftnet operation'.68 The Declaration also directed the Pacific Island states to convene an urgent meeting of regional diplomatic, legal and fisheries experts to develop a convention to create a zone free of driftnet fishing. In September 1989, at the tenth Anniversary of FFA in Honiara, a working group was created to pursue that objective. Subsequently, the group met in Wellington in November 1989

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67. The Declaration was attached to the Forum Communiqué 1989.

68. See the last two paragraph of the Tarawa Declaration.
and adopted a Convention for the Prohibition of Long Driftnets in the South Pacific. As of November 1990, 'twelve countries have signed the Convention', and it entered into force on 17 May 1991.

As a result of pressure from the Forum states, some progress has been made. Firstly, as stated earlier, the Republic of Korea has said it will cease its activities. Secondly, after the Tarawa Declaration was issued, Japan announced that it would reduce its fleet in the region for the 1989/90 season to 20 vessels. As a collaborative step, Japan also 'offered to provide a research vessel to examine the effects of driftnetting and dispatch a patrol vessel to monitor driftnet fishing activities in the region'. The Pacific Island states certainly welcomed the decision. But, reducing the fishing fleets is not the final objective of the Pacific Island states. Therefore, through various regional and international fora, they continued to urge Japan and other nations to stop their driftnet fishing activities completely.

At the SPC Conference in Guam in October 1989 in which the United States, Britain, and France participated, the Tarawa Declaration was further endorsed. Similar endorsement was made at the Commonwealth Heads of Government meeting in Malaysia in the same year. Also in October 1989, co-sponsored by Australia, Papua New Guinea, Fiji, Solomon Islands, New Zealand, Vanuatu, and two non-FFA members (Zaire and Mauritania), the United States tabled a resolution in the Second Committee of the United Nations General Assembly. The resolution called for a complete ban on driftnet fishing in the South Pacific region. Also in the US, Congress passed Resolution 214 endorsing the Tarawa Declaration and 'advised the United States cooperate with regional organisations of the South Pacific in the formulation of a Convention banning driftnet fishing'.

Responding to accusations by the Pacific Island states as well as the Resolution tabled by the US, Japan challenged the Tarawa Declaration and the US resolution by calling for conclusive scientific evidence before the possibility of a ban would be discussed. However, after

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69. The full text of the Convention appears as Appendix C. As of February 1990, twelve countries had signed and one had ratified the Convention. Two Protocols were prepared to enable distant water driftnet nations and other nations with some interest in joining the Convention to accept the relevant provisions.


71. Report by the Director of the FFA to the Secretary General of the UN, Attachment B, op.cit., pp.2-3.

72. Ibid.,p.3.
some debate in the UN General Assembly, both parties (Japan and the US) finally attempted to amalgamate the two resolutions and collaborate on a joint submission. All these efforts by the Pacific Island states on this issue should be viewed as a great success, which would never have been achieved without close cooperation and a united position both of which were initiated and encouraged by the South Pacific Forum Fisheries Agency. The commitment by DWFNs to cease driftnet fishing in the region is 'an indication of the strength this region has as a united body'. This culmination was reached after ten years of operation. More importantly, Japan announced in 1990, that it has decided to cease completely its driftnet activities on July 1, 1991. Japan's decision, in fact, can be seen as an act of goodwill to comply with the UN resolutions (both tabled by the US and Japan), as stated earlier, which was then adopted by the UN General Assembly in December 1989.

Taiwan has reduced its driftnet vessels during the 1989/90 season. The Greenpeace vessel, 'Rainbow Warrior', which operated in the Tasman Sea during the driftnet season in late December 1990, estimated that there were at least two Taiwanese vessels driftnetting in that area. There is no official statement or any confirmation from Taiwan on the issue. It was not until December 1991 that Taiwan finally decided to cease its driftnetting in South Pacific waters. Now the region is free from driftnet fishing by distant water fishing nations. The Islanders' expectation in this matter was met.

3.8. REGIONAL SURVEILLANCE

Improved surveillance and enforcement is necessary to maximise the benefits that member countries gain from their rich marine resources. A regional surveillance programme can also secure greater compliance by foreign fishermen, including requirements that they provide information for the purpose of long term management of conservation programmes.

Guided by its Convention the FFA has tried hard to design a surveillance programme suitable for the region. The meeting of senior officials from FFA member countries in Honiara in March 1985 also further stressed the need for improved surveillance. They also reaffirmed that

73. See the FFA's Director's Annual Report 1990/91, p.10.

74. The name of the UN Resolution is: 'Resolution on Large-Scale Pelagic Driftnet Fishing and Its Impact on the Living Marine Resources of the World's Oceans and Seas'. One of its recommendations states: 'immediate action be taken to reduce large-scale pelagic driftnet fishing in the South Pacific and that cessation of this method of fishing in this region occur no later than 1 July 1991 ...'.

this programme should be considered an important priority.\textsuperscript{75}

The FFA sought advice from the Canadian International Centre for Ocean Development (ICOD). The Forum Fisheries Committee meeting in May 1985 approved a proposal to seek ICOD funding to establish a three year fisheries surveillance and enforcement programme. In late 1985 the proposal was approved by ICOD and the first fisheries surveillance adviser took up his post in Honiara in January 1986.\textsuperscript{76} The funding was extended until June 1990 and ICOD was committed to provide further funding for the second phase of five years. In the first five year period the programme has been operating and it included:

a. visits and assistance to member governments in the areas of patrol vessel acquisition, studies and reports on administrative structures, equipping of craft for surveillance use, crew and coast-watcher training, information collection and analysis, arranging funding and consultants for specific national projects, assessment of surveillance needs, and development of proposed surveillance plans;

b. attending and servicing workshops, courses, seminars, conferences, meetings and fellowships, including attendance by national surveillance officials, in areas of surveillance including legal provisions for enforcement, surveillance equipment, fisheries prosecutions, telecommunications and observers;

c. studies, including tests, of available surveillance equipment and systems such as airships, HF radio, satellite communications and civil aircraft;

d. coordination of military air surveillance including development of planning, briefing and reporting procedures; and

e. analysis of fishing logsheets to assist in predicting fishing activity in the region.\textsuperscript{77}

Apart from the surveillance programme funded by ICOD, Australia and New Zealand have also assisted FFA’s members to protect their territorial waters. This has included air surveillance by the Australia and New Zealand air forces. They reported information to the appropriate authority of the national governments and to FFA’s Headquarters if they found any illegal foreign fishing vessels in their waters. The FFA member countries such as Kiribati, Tonga, Western Samoa see the real benefits. On many occasions they received reports from the air crew and complaints from US fishing vessels that illegal foreign vessels were in their waters. With this information the national authority could react quickly, and catch and charge the offenders.


\textsuperscript{76} Ibid., pp.3-4.

\textsuperscript{77} Ibid., p.5.
The Pacific Patrol Boat Programme (PPBP) has been another most significant contribution to the surveillance effort in the region. This is implemented under the Australian Defence Cooperation Programme (DCP) offered by Prime Minister Hawke during the Forum meeting in Canberra in 1983 (this offer was closely related to Hawke’s diplomacy in pursuing his South Pacific Nuclear Free Zone proposal, see Chapter IV). Under the programme, patrol boats are provided to Island countries for surveillance and by the end of 1991, there were 15 patrol boats provided to eight countries. The programme has also been responsible for the training of Pacific Islanders in using the boats. Although the programme is between the Australian government and each individual country, it is complementary to the FFA surveillance programme. The cooperative relationship between the Island states and Australia and New Zealand is also likely to develop further as countries move towards joint and reciprocal surveillance and enforcement operations.

The Pacific Patrol Boat projects has, however, been criticized by Pacific Island leaders, particularly smaller Island countries such as Kiribati and Tuvalu. Those countries argued that, despite the effectiveness of the project, the Pacific Patrol Boat is not suitable for their countries. This relates particularly to the high operating cost of the vessels. Bishop Paul Mea of Kiribati, for example, commented:

"We do not like outside countries to assist us by giving aid in the form of projects which need high-cost maintenance like Patrol Boats. We are happy to be helped but because of the maintenance cost, we cannot afford it. More than that the projects usually require personnel recruited from donor countries. Thus, it did not help our own people."

It is necessary to add that though the recurrent costs are not met under the Defence Cooperation Programme, Australia is providing funding support for some fuel for the patrol boats of Western Samoa, Vanuatu and the Solomon Islands. The Australian Government hopes this will 'facilitate participation in maritime surveillance operations/ exercises and training, including with Australian Defence Force ships and aircraft'. Another criticism relates to the design of the boats. The Pacific Islanders suggest that the boats are inappropriate for their own country's requirements. Some countries want the boats to be more flexible in function - fulfilling not only a defence/ surveillance role, but also being able to transport people and goods between islands.

The FFA has experienced difficulties in its attempts to determine the options for a cost-effective regional surveillance programme. Although the FFA has considered the planning and

78. Ibid., p.6.
80. Australia's Relations with the South Pacific, 1989, op.cit., p.158.
coordination of cost-effective air surveillance, development of a communication network, national surveillance systems and the training of surveillance officers, by 1991 those programmes were not successfully implemented for various reasons. It should also be noted that surveillance is most difficult. It is very complex and involves other issues such as legal, communication systems, sovereignty implications, and more importantly the high-cost associated with this programme. Thus, until recently, the surveillance of members’ EEZ waters mostly relied on the information the FFA or individual countries received from the joint patrols by the Australian and New Zealand air forces and the US vessels which note fishing activities in their waters. In 1992, again under the auspices of the FFA, the Island states concluded an agreement on cooperation in fisheries surveillance and law enforcement. The agreement will further enhance the Island states’ efforts in exploiting their marine resources.

4. CONCLUSION

The decision of the Heads of Government of the Forum member countries in 1979 to establish the FFA as a semi-autonomous organisation to deal with fisheries was most appropriate and resulted in much fruitful progress after only a decade of operation. If we look at both its functions as well as its objectives set out in its Convention in 1979 and compare them with what it had done, then it has, though not entirely, accomplished what the Pacific Islanders expected from its creation.

The FFA’s achievements range from providing access to information, legal advice and economic aspects of fisheries, to enabling the Pacific Islanders to unite to deal with the DWFNs. Members concluded the multilateral treaty with the U.S., they made various bilateral arrangements, and they stopped driftnet fishing by Japan, Taiwan, and the Republic of Korea. The FFA’s success is recognised both by the FFA itself, its members, and countries outside the region, including the donor institutions.

Nevertheless, the FFA must still work hard to maintain its achievements and should always desire to improve its performance in the future. Some tasks that it failed to accomplish such as the long term programme of preparing Pacific Islanders to take up technical positions in the FFA Headquarters should be given serious consideration. Similarly the FFA must consider how all members can benefit more equitably.

The most recently-signed Niue Treaty will guarantee its member states can protect their

81. The complete name of the treaty is 'Treaty on Cooperation in Fisheries Surveillance and Law Enforcement in the South Pacific Region'. See Appendix C.9.
waters, and thus enable them to exploit their marine resources to the maximum. The DWFNs' compliance to the fisheries agreements they signed previously might be violated without the standard law in each member state which enforces them. The Niue Treaty will guarantee this. The Forum countries hope that fisheries treaties that have been agreed to by the DWFNs can be implemented as well as possible.

In the light of the recent global political changes (reformation in Eastern Europe, and the collapse of the Soviet Union), the FFA should reconsider its policy. If the US saw agreement to the treaty not just as a way to economic advantage but more importantly as a means to counter the Soviet's presence, then a major basis of US policy has disappeared. As a result the FFA must consider possible changes in the US position on fisheries.

The form of cooperation among the Forum states through the FFA is another example of how regional cooperation on functional areas works successfully. One central achievement that must be recognised is their united stand on several fisheries issues against states outside the region. There was no choice for the US but to accept the fact that it should consult the FFA on fisheries. South Korea, Taiwan, and Japan faced similar situations: they had no option but to accept what the Island states wanted. By contrast it is almost impossible to imagine how a small Island state operating alone could force major fishing nations to stop driftnetting. Another interesting lesson that can be learned in fisheries cooperation is how each member, small or big, rich or poor in fish resources, pursued regional cooperation while at the same time maintaining their specific national interests.
CHAPTER VIII
REGIONAL TRANSPORT

Regional transport is a major common concern of the Forum Island countries, and Forum leaders have had a strong desire to improve conditions. This is not surprising given the isolated situation of the FICs and their dependence on metropolitan companies for transport. They are aware that if they succeed in making travel easier and cheaper they will contribute significantly to solving other economic problems, in particular trade. This chapter will examine two major issues: the regional shipping line and regional civil aviation.

1. Shipping: the Pacific Forum Line
1.1. Overview of its Establishment

One of the Forum leaders’ aims in setting up the Forum was to establish a regional shipping service. In 1971 when the first Forum meeting was held, the leaders discussed this matter in depth. Prince Tu'ipelehake of Tonga was the first leader to introduce a paper outlining the need for a regional shipping service. In essence, the paper described the organisation of Tongan shipping and how it might be adapted to form the basis of a regional shipping line. The Tongan proposal was supported by the Cook Islands, Nauru, and Fiji. Ratu Mara reminded the Forum that at the last PIPA meeting, Fiji had advanced two recommendations on the subject which had been accepted. The PIPA meeting had then requested a study on regional shipping which was finally undertaken by the UNDP (United Nations Development Programme). The first Forum meeting agreed in the end that members should wait the report of the study.

At the second Forum meeting in Canberra in February 1972 the Forum leaders reconfirmed their continued support for a review of the possibility of establishing a shipping line. The interim UNDP Report on Regional Transport Survey was made available by the Fiji Prime Minister. The report made the obvious point that ‘intra-island trade will be important for the future development of shipping in the region’. To meet the Islands’ expectation, a seminar on shipping was held in Apia in late 1972. Topics discussed at that seminar were: the feasibility of a regional shipping line, the inflationary increase in freight rates, the need to improve current services, and a number of features of trade in the region. The result of the

seminar was reported to the third Forum meeting in Suva in late 1972.

By 1973 SPEC was operating. PIPA was formally terminated by the heads of the Forum governments in 1974 and its functions were absorbed by SPEC. SPEC had a mandate to follow up the proposed shipping line. Immediately, it had to implement the Forum decision to monitor the study on regional shipping. To support SPEC in its task, a shipping expert from Australia, Dr. Fitzwarryne, was assigned to help. The study found that there was still more work required and this study should be integrated with another study on regional trade conducted by SPEC. The Forum leaders in the 1973 Forum meeting recognised SPEC's role in this matter. It was noted that the financial and operational structure of a regional shipping line was of the utmost importance. The study also found that the proposed regional shipping line was unsuitable for some countries because it required a commitment of too much capital. However, the Island leaders still believed that such a shipping line would improve the trade performance of the region. Meanwhile, the Nauru vessel, Cenpac Rounder, extended its services to the other Forum countries. Also the National Shipping Lines of Nauru and Tonga agreed to rationalise their operations. The Forum leaders welcomed this development. An important decision of the 1973 Forum was the leaders' further agreement that after the study on the shipping line was completed, then it should be examined by a committee of the relevant officials of member governments. SPEC was given the task to report on the progress and present recommendations at the next meeting.

Although Australia and New Zealand basically supported the proposal, they had some concerns. They were uncertain whether there were sufficient goods to be carried by the proposed line. In particular they wanted assurance that there were the cargoes from the Forum members to shift to both Australia and New Zealand and vice versa. As Norman Kirk, the former New Zealand Prime Minister, said, 'to have shipping there must be things for the ships to carry. If there was to be a decrease in exports regional shipping would be of little use. To develop shipping there must first of all be development of exports'. Australia and New Zealand were also unsure whether their unionists would cooperate. Another former New Zealand Prime Minister, Robert Muldoon, pointed out, 'the important thing was that we had an agreement with the seamen's union. [Under the Agreement] they would not permit ships to come to New Zealand crewed by low wage Pacific Island labor'. Therefore, they asked the Forum leaders to wait until the study was completed. Both governments promised

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to raise the matter with their maritime trade unions. Between 1973 and 1974, meetings on technical issues were held to avoid delays if a regional line was established.

In the fifth Forum meeting in 1974 in Rarotonga the Forum discussed the SPEC Report. SPEC asked the Forum to decide whether or not to proceed with the proposed regional shipping venture. Two considerations underlay the SPEC recommendation: first, the existing shipping services in the region needed to be supported, and secondly, not all the Forum members were served well by current operations. After a long discussion, the Forum leaders agreed, as a first step, to establish a Regional Shipping Council which consisted of Ministers or their representatives from all Forum members. The Forum leaders said the Council should organise, through SPEC, 'the studies and investigations needed as a basis for a subsequent decision by the Forum on establishment of a regional shipping corporation and on any other practical steps to improve shipping services throughout the region.' SPEC was asked to report progress to the next Forum meeting. Meanwhile, financial support was offered by the Prime Minister of New Zealand. His government was prepared to provide a grant of NZ$ 25,000 to enable the proposed project to be pursued.

The Island leaders recognised that a vital factor in the viability of a regional shipping line was cooperation from the maritime trade unions of Australia and New Zealand toward the Pacific Island Lines. The uncooperative attitude of the maritime unions had been obvious. For example, the Tongan crew who worked for the Nauruan ship under the joint agreement to serve the New Zealand/Fiji/Tonga/Samoa route 'was encouraged by the New Zealand Seamen to walk off the ship in Wellington'. An attempt to resolve the issue was made when Norman Kirk in October 1973 called a conference at Waitangi on shipping to which he invited Island governments, the New Zealand government, ship owners, and the New Zealand maritime unions. At the opening of the conference, Kirk stressed 'the challenge to all concerned to ensure that trade and economic development were not held up by the failure of the shipping industry to provide adequate and efficient services'. While it was agreed that the main purpose in establishing a regional shipping line was to provide adequate and efficient shipping services, it also had a fundamental purpose of providing more jobs for both New Zealand and Island states' seamen. The Waitangi conference was very important in the

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sense that it could provide more understanding about the proposed shipping line among the representatives. SPEC was relieved when it gained the cooperation of the maritime unions. This understanding might never have been reached without Kirk's prominent role. As a Labor leader, Kirk had better standing with the unionists than a Conservative Prime Minister would have had.

The Forum heads of government felt, however, that not enough information had been provided by the reports of previous studies and seminars. SPEC then acquired the services of a Dutch shipping expert and ESCAP shipping adviser, B. de Vlaming, to work with a technical advisory board comprising shipping experts from Forum countries. Vlaming suggested that the proposed line could be operated on the basis of chartered vessels from the member countries.

The various studies undertaken were, in fact, carried out by a succession of experts. These differed considerably in emphases, and progress in establishing the regional line slowed while member governments evaluated them. The views expressed in the studies were aired at the Regional Shipping Council meeting in Suva in June 1975. The Council recommended that a marketing survey be completed by SPEC to demonstrate that the line could be commercially viable. The survey was also used to help determine the best routes for the new line, the types of ships required and cargoes to be carried.

The Forum meeting in 1975 accepted the SPEC report on regional shipping and gave its approval for the completion of a marketing survey to determine the commercial viability of the various shipping routes in the region. Meanwhile, the ESCAP funded study on the formation of a Regional Shipping Line was in progress.

After accepting a recommendation from the South Pacific Regional Shipping Council, the leaders in the 1976 Forum meeting in Nauru agreed to establish a regional shipping service to be called the 'Pacific Forum Line' (PFL). The Shipping Council was given the task to finalise the drafting of the Memorandum of Understanding. In March 1977 the Forum members formally signed the Memorandum to establish the Pacific Forum Line. The Memorandum basically stated that:

a) The Line was required to meet the shipping needs of the South Pacific Region in order to further foster the Island Nations economic development by creating a greater degree of control over the transportation of their own cargoes and by producing a regular and more sophisticated level of service on the main trunk and feeder routes of the South Pacific Ocean whilst aiming to contain the escalating freight rates.
b) The company, 'Pacific Forum Line', would be a private company with a share capital of 80,000 Western Samoan Tala [at that time about US$110,000].

c) The Head Office would be situated in Apia.8

The establishment of the PFL demonstrated how the practical aspects of regional cooperation were taken into account. As Fry noted, the initial capital was kept very low; existing national shipping lines were not threatened; shareholdings were equal; and profits and losses were to be shared equally.9 For those reasons the FICs' leaders had a high level of commitment to make the PFL succeed. More importantly, this first regional economic venture was agreed to only after several studies and long negotiations conducted for seven years. The primary causes of the delay were predictable. The South Pacific Forum was a relatively young organisation and by that time the leaders needed to spend some time to get to know each other better before they stepped up to a real form of cooperation. Apart from that they wanted to be sure how could they benefit from the venture and to what extent their national interests could be surrendered for the sake of regional cooperation.

It was decided that all Forum members would be eligible to become shareholders in the line. The entrance fee, set at WS$10,000, was deliberately kept low so that it would not exclude the smaller countries. At that time, all Forum countries except Australia decided to become members of the line, thus its shareholders were: the Cook Islands, Fiji, Kiribati, Nauru, New Zealand, Papua New Guinea, Tonga and Western Samoa. The fee gave the PFL an initial working capital of WS$80,000. In addition, Australia, though not a member, provided a grant of A$100,000 and offered technical assistance and training if required. Similarly, Nauru together with the Cook Islands, New Zealand, Western Samoa, and Tonga offered overdraft facilities. The last three countries also agreed to provide vessels. The reason behind Australia's decision not to join the PFL was quite clear. From the beginning it argued that such a venture would be better left to the private sector. Australia predicted that the governments' intervention in this matter would cause them to be committed to provide endless funding to the company (see next section for detail).

The FICs' leaders had two main expectations in establishing the Line. First, they wanted the Line to provide more frequent services to the Islands which in turn could increase their trade and ultimately increase their financial strength. According to the SPEC study in

8. See Memorandum of Understanding to Establish the PFL, as appears in Appendix C.10.

1973, the operation of the proposed Line would fulfil some of the hopes of the Forum leaders. These included: lower freight rates, improved balance of payments, increased employment and increased trade.\textsuperscript{10} The second, was ‘nationalistic’, in the sense that they would have an Islands-controlled shipping Line. The PFL can be regarded as a ‘symbol of Pacific nationalism’. By having their own regional Line, they hoped that they could reduce their dependence on metropolitan shipping lines.\textsuperscript{11} The creation of national shipping lines by the Nauru and Tongan governments was partly because the proposed regional Line was close to reality. These two countries expected that they could benefit from the Line by leasing their vessels to the PFL. The agreed name of the company, the ‘Pacific FORUM Line’ also signified that the company belonged to South Pacific Forum countries. Thus, the PFL represents two contradictory aspirations for the Pacific Islanders. On one hand, it is a symbol of a nationalistic pride in the sense that each national government has a shareholding in it, and on the other, it is regarded as strengthening a regional cooperation in the sense that they own and manage it together without any domination from former colonial powers.\textsuperscript{12} Fry points out that ‘asserting indigenous control of shipping in the Pacific was of prime importance’.\textsuperscript{13}

Another interesting point to note is the degree of support given by the FICs toward the proposed Line. Western Samoa has been the main supporter of the Line, because at that time it was not well served by shipping and the Company headquarters would be based in Apia. Nauru’s and Tonga’s support was due to the fact that they had no shipping line in the early 1970s.\textsuperscript{14} Fiji supported\textsuperscript{15} the idea because of the fact that it was Fiji’s recommendation (and accepted) at the last PIPA meeting to establish a regional shipping line. Apart from that Fiji was the country which very much expected that the Line would increase its trade both with Australia and New Zealand and with other Island states.

\textsuperscript{10} See The Establishment of a South Pacific Regional Shipping Line, (Suva: SPEC, 1973), pp.8-17.

\textsuperscript{11} See G.E. Fry, 1979, op.cit., p.143.

\textsuperscript{12} The decision-making body of the PFL is the Board of Directors consisting of seven members appointed for two years from the representative of the Company’s shareholders. For detailed functions of the Board of Directors, see ‘Memorandum of Understanding Establishing the Pacific Forum Line’ articles VII and VIII.

\textsuperscript{13} Fry, 1979, op.cit., 143.

\textsuperscript{14} Op.cit., p.144.

\textsuperscript{15} When the proposal establishing the Line was put forward by Robert Muldoon, in the beginning Fiji was not so interested, because Fiji at that time already had a regular shipping service.
Table 16
THE PFL'S SHAREHOLDINGS
(As at December 1991)

<table>
<thead>
<tr>
<th>Member Government</th>
<th>&quot;A&quot; Ord Shares</th>
<th>&quot;B&quot; Ord Shares</th>
<th>&quot;C&quot; Ord Shares</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>Cook Islands</td>
<td>10,000</td>
<td>54,917</td>
<td>62,500</td>
<td>127,417</td>
</tr>
<tr>
<td>Fiji</td>
<td>10,000</td>
<td>4,731,359</td>
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<td>Kiribati</td>
<td>10,000</td>
<td>660,665</td>
<td>62,500</td>
<td>733,165</td>
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<tr>
<td>Marshall Islands*</td>
<td>10,000</td>
<td>700,000</td>
<td>62,500</td>
<td>772,500</td>
</tr>
<tr>
<td>Nauru</td>
<td>10,000</td>
<td>-</td>
<td>62,500</td>
<td>72,500</td>
</tr>
<tr>
<td>New Zealand</td>
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<td>4,318,000</td>
<td>512,500</td>
<td>4,840,500</td>
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<td>10,000</td>
<td>-</td>
<td>62,500</td>
<td>72,500</td>
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<td>6,047,524</td>
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<tr>
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<td>62,500</td>
<td>1,552,826</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>120,000</strong></td>
<td><strong>19,589,582</strong></td>
<td><strong>1.200,000</strong></td>
<td><strong>20,909,582</strong></td>
</tr>
</tbody>
</table>

Notes:
Shareholders without asterisk (*) were original shareholders. Solomon Islands and Tuvalu joined PFL in 1978, Marshall Islands in 1990 and Niue followed in 1991.

The "A" Ordinary Shares are those that have equal voting right at Shareholders meetings.

The "B" Ordinary Shares rank pari passu as to dividend and distribution of capital on winding-up with the "A" Ordinary shares, but do not carry voting rights.

The "C" Class Shares are a special class of share created with the purchase of "Forum New Zealand II" and intended to be converted to "B" Class prior to June 1996.

Sources:

1.2. An Assessment of PFL's Performance

After the political commitment of the Forum countries, the next step was how the Forum decision could be implemented. The first full Board Meeting was held in July 1977 and G.R. Dewsnap was appointed as the first General Manager of the PFL. Major tasks to be carried out were:
Chart 9: The PFL's Shareholdings

- Cook Is.
- Niue
- Fiji
- PNG
- Niue
- Marshall Is.
- Nauru
- New Zealand
- Tuvalu
- W. Samoa
- Tonga
- Solomon Is.
- Kiribati
a) Forming a Management team to be sited in Apia, (all of whom had to be drawn from overseas).

b) Putting support staff together and training such staff, as few or no staff experienced in shipping were available in the area in which the Head Office was sited.

c) Setting up procedural manuals and communication agency arrangements; stevedoring the routes to be operated; and ensuring the availability of vessels to operate such routes.16

After many reports, studies and years of negotiations, the PFL - the Forum’s first practical venture in regional cooperation - was finally ready to operate. Its initial trading capital was only WS$312,000, less than the targeted minimum of WS$500,000. It was far from the recommendation of the Fitzwarryne report which estimated a working capital of around A$55 million was needed.17 No wonder in the initial period the PFL experienced financial problems. In the first year of its operation, its accumulated losses were WS$1.44 million. This was met by drawing on overdraft guarantees. After that, Kiribati agreed to provide an overdraft guarantee. Australia and Papua New Guinea contributed loans, and later an Australian loan was converted to a grant.18

Meanwhile, in the period between 1978-79, three vessels were chartered for short terms. At the beginning of its operation the PFL had three old vessels: Tauloto II (owned by Tonga), Toa Moana (New Zealand), and Woolgar (Norway). One year later, another two vessels: Forum Nuigini (PNG) and Okeanis (Greece) were chartered for a short term. They all operated on various routes. Unfortunately, shippers lost confidence and support did not increase because of the high cargo handling costs, long port delays, frequent changes of route and the negative press reports on the financial position of the company.

It was difficult to operate a new company which was regional in nature. In its initial operation, the PFL faced severe financial problems. There were caused by the following factors: (a) serious under capitalisation, (b) high cost of chartered vessels as compared to owning and operating vessels, (c) stiffening of competition, and (d) operation of vessels not entirely suited to the trade. The problems were not sufficient obstacle for the FICs to reduce the degree of their desire to see the Line operating. The Forum members had struggled to


make the Line a successful regional venture and they believed that if this first regional venture failed, then the Forum's existence would be questioned. As Muldoon said: 'the collapse of the Line would be far more significant than the end of an ordinary shipping line because it was the first tangible effort at regional cooperation initiated by the Forum'. 19

There is also another historical reason: most of Pacific Islanders see themselves as voyagers, conquerors of the vast distances of their ocean, so the Line is central to their self-perception. That is partly why when the Line experienced financial difficulty for almost its first ten years, the Forum leaders still worked hard to make it a success.

In 1978 the Forum meeting confirmed its support for the PFL. In order to keep the Line afloat for a reasonable period, all member governments agreed to consider a number of proposals for both short and long term relief. The New Zealand government offered a grant of NZ$100,000 and after long discussion it provided a further NZ$150,000 for short term relief. Another step taken to save the Line was the Forum’s endorsement of a proposal by the committee on regional transport. The committee suggested that all member governments work towards setting up uniform maritime standards for the training and certification of officers and seamen and the examination of ships.

In 1979 the Forum meeting noted PFL’s serious financial situation. The Forum recommended that a study on the future of the Line should be conducted by consultants. The consultants’ objective and terms of reference were laid down by SPEC and the report was to be made to SPEC’s Director. The report later found two major factors that needed immediate action. The provision of adequate capital for the Company (together with a strict plan of finance injection), and the movement of the operations office from Apia to Auckland. A special meeting of the Regional Shipping Council was also called in February 1979. The Council reaffirmed its continuing support for the PFL and pledged a further US$1 million to finance the Line to the end of 1979.

In the period between late 1979 and early 1980, the container vessels provided by the shipowning shareholders - Tonga, Western Samoa and New Zealand - entered the trade and the older tonnage was dispensed with. These new vessels operated on the same routes. The Line’s performance was not improved. The grave financial position of the Company worsened because of the increased daily cost of the new vessels and the high cost of leasing.

containers. As a result of the financial problems, the first General Manager advised the Board that he could not operate the Line under such a situation. He resigned in late 1979 and in July 1980, G.W. Fulcher was appointed as the second General Manager.

By the end of 1980 the Company had a deficit of US$6.1 million. A reassessment of the routes was made. The Shipping Council held a meeting in Christchurch and the Board of Directors presented a Management Plan which:

a) Altered the various routes to the routes presently being operated.

b) Proposed that the Shareholders should provide funds for the purchase of containers, thus providing the Company with assets.

c) Proposed that Shareholders should meet the present heavy losses and also provide working capital.20

The Board requested sufficient capitalisation of the Company which amounted US$15.6 million. A cash funding plan was also proposed and it was stated that the injection of cash was urgent.

Meanwhile, the management undertook a review of some of the Line's operations. After an extensive stocktaking of containers, it was found that there were approximately 1,000. That was too many and made leasing costs too expensive. As one of the steps to enable the PFL to survive, the Company decided to reduce the number of containers. Other actions taken by the Company were to reduce fuel consumption, reduce the costs of refrigerated containers, and cease some joint operations with other shipping companies. A joint slot charter arrangement was entered into with the Union Steamship Company in late 1981. The arrangement lasted only one year and the PFL continued the service in its own. In 1983 the Shipping Corporation of New Zealand Limited and Australian National Line (ANL) set up a joint Trans Tasman shipping service. The PFL entered into a Slot Charter Agreement with the Shipping Corporation, covering cargo New Zealand - Brisbane only.

During the early part of 1981, a detailed study of the PFL was carried out again by independent consultants under the auspices of SPEC and the Commonwealth Technical Co-operation. The study was completed in July 1981. The Report found that the directors and management had done their best to improve management systems. It confirmed that more capital was necessary. And again suggested that the Head Office be relocated. The Board

20. See Background Information, op.cit., p.5.
agreed to relocate it to Auckland in late 1981.

By the end of 1981 it was estimated that the PFL would need a further US$9 million. During the mini-Forum meeting21 in New Delhi in September 1980 the Forum leaders discussed ways to save the PFL. It was agreed that New Zealand pay half of the shortfall (US$4.5 million) and the rest be paid by grants from PNG, the Solomon Islands, and the Cook Islands, deductions from Australian bilateral aid and from a straight out grant by Australia. Beside that commitment, New Zealand also in the same period paid some NZ$3.4 million to subsidize the cost of running the Forum New Zealand. The Forum meeting in 1981 acknowledged assistance to the PFL provided by Nauru, PNG, the Solomon Islands, Kiribati and welcomed the financial contribution announced by Australia. Australia made a grant of A$1.5 million to enable the PFL to purchase containers and equipment.

Besides efforts being taken by members, the Forum also tried to get financial assistance from states outside the region. When Muldoon made a state visit to the Republic of Korea, for instance, he raised the possibility of that country providing some containers for the PFL. Korea then agreed to send an economic mission to the South Pacific to gather more information. It was interesting that though Muldoon initiated the move to find outside help, he asked the Island governments to decide whether or not to proceed with his initiative.22 Fiji approached the EC on the question of assistance. Ratu Mara said that in principle the EC agreed to provide assistance. However, Mara was very concerned that his approach was not followed up by the Forum Secretariat. He asked ‘why no action had been taken subsequent to his discussion with the EC’.23

In 1982 problems faced by the PFL were discussed again. One important action to save the Line was the Forum’s success in attracting a soft loan from the European Investment Bank with two conditions: first, the Line should be injected with US$12.6 million to be spent on purchasing containers; second, this loan was to be guaranteed by the Forum members (and later pledges were given by Australia, New Zealand, Fiji, PNG, the Solomon Islands, Tonga, Western Samoa). After long negotiations, New Zealand agreed to contribute half (US$6.5

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21. A Mini-Forum meeting is a meeting of Heads of Forum governments when at the same time they attend other meetings such as the Commonwealth heads of government meeting and the South Pacific Art Festival. Up to 1991, the Forum had conducted three mini-Forum meetings: in Rotorua, New Zealand (1976); in Suva (1976); and in New Delhi, India (1980).


23. Ibid.
million), Australia agreed to pay US$2.3 million (US$1.3 paid in 1982/83 and US$1 million paid in 1983/84), the remainder (about US$4 million) was paid by Fiji, Kiribati, the Solomon Islands, Tonga, Tuvalu, Western Samoa, all diverted from their bilateral aid from Australia and PNG from its total budget fund. Apart from that assistance, the Forum leaders also welcomed a generous gift from the Australian government of A$1.5 million. The money was to be used to buy new containers and generally help solve the Line's financial problem.

From 1982 to 1986 the Forum discussed PFL's problems annually. More progress on the financial situation was made. The leaders in 1983 recommended that the Line's finances should be reviewed by the shareholders. In 1984 the PFL made some improvement in its financial situation and trading and in 1985 the Forum leaders were pleased to note that the PFL had made real progress in its development as an economically viable service.

Another step taken by the Forum Line was in relation to the vessels chartered from Western Samoa and Tonga. These two countries bought ships from West Germany in 1979 for about NZ$8 million each under soft loan aid terms. The company used those ships because the owners were shareholders in the Line, and they had deliberately offered the vessels for the company's operations. The two governments, however, did not accept lower charter rates because they were committed to make repayments on the vessels.

When world charter rates collapsed, Tonga and Western Samoa were concerned that the PFL would cut the rates. It was true that after conducting a review, the Forum Line found that those two ships had cost the Company about US$4.7 million. This was more than the cost of chartering ships at world rates. After negotiation with the two governments, the Forum Line finally decided to slash the rates by US$2200 a day from January 1985. That decision financially embarrassed the Western Samoan and Tongan governments, but the Company had done the best thing to reduce the financial deficit of the Line. To preserve the spirit of regional cooperation the two governments had to accept this fact. They were satisfied when they finally witnessed that the company had made some improvement in its financial situation.

After ten years of operation, the Line finally made its first trading profit of approximately US$1.6 million in 1985. From then it recorded profits till 1990 (Table 17).

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Table 17

PFL's Profits

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit (WS$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>3,673,000</td>
</tr>
<tr>
<td>1986</td>
<td>5,879,000</td>
</tr>
<tr>
<td>1987</td>
<td>5,824,000</td>
</tr>
<tr>
<td>1988</td>
<td>6,639,000</td>
</tr>
<tr>
<td>1989</td>
<td>5,191,000</td>
</tr>
<tr>
<td>1990</td>
<td>2,426,000</td>
</tr>
</tbody>
</table>

Source: Background Information, op.cit., p.28.

Unfortunately, this was only a yearly trading profit. A degree of success was claimed by the Forum leaders and the PFL's General Manager. But the PFL was still in fact a commercial failure, and this is clear if the total six-year profit is compared with the amount of invested capital since its establishment.

The tonnage carried by the Pacific Forum Line since services were first commenced increased significantly, and this gave more evidence of its better performance (see below).

Table 18

PFL's Tonnage

<table>
<thead>
<tr>
<th>Year</th>
<th>Tonnage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>32,583</td>
</tr>
<tr>
<td>1979</td>
<td>71,454</td>
</tr>
<tr>
<td>1980</td>
<td>209,605</td>
</tr>
<tr>
<td>1981</td>
<td>237,453</td>
</tr>
<tr>
<td>1982</td>
<td>203,952</td>
</tr>
<tr>
<td>1983</td>
<td>227,107</td>
</tr>
<tr>
<td>1984</td>
<td>258,868</td>
</tr>
<tr>
<td>1985</td>
<td>273,371</td>
</tr>
<tr>
<td>1986</td>
<td>274,773</td>
</tr>
<tr>
<td>1987</td>
<td>330,126</td>
</tr>
<tr>
<td>1988</td>
<td>378,054</td>
</tr>
<tr>
<td>1989</td>
<td>258,230</td>
</tr>
<tr>
<td>1990</td>
<td>415,415</td>
</tr>
</tbody>
</table>

Recently the Pacific Forum Line has operated on three trunk routes as follows:

A. New Zealand South Pacific Trade:
   Operates out of New Zealand and completes the round voyage in 20/21 days, calling at the following ports:
   Auckland/ Lautoka/ Suva/ Apia/ Pago-Pago/ Nuku'alofa/ Auckland.

B. Australia South Pacific Trade:
   Operates out of Australia and completes the round voyage in 26-28 days, calling at the following ports:
   Sydney/ Noumea/ Lautoka/ Suva/ Apia/ Pago-Pago/ Nuku'alofa/ Sydney.

C. New Zealand Central Pacific Trade:
   Operates out of New Zealand and completes the round voyage in approximately 34/35 days, calling at:
   Lyttelton/ Napier/ Auckland/ Brisbane/ Port Moresby/ Lae/ Honiara/ Brisbane. 

The increasing assets of the company also indicate that the Line's performance has improved. The leasing of containers which resulted in losses for the company has ended. The Line was successful in buying 174 refrigerated containers which had been constructed in Europe under the EC grant. The number of chartered vessels were also reduced following the recommendation of various studies conducted to ensure the survival of the Line. In 1980, the first three container vessels: Forum Samoa (Western Samoa), Fua Kavenga (Tonga) and Forum New Zealand were introduced under the charter system.

The Line's first profit helped the Line to move from being a ship charterer to a ship owner. In 1989 the Line had another success in convincing the New Zealand government to increase its shareholding in the PFL. This extra-capital enabled the PFL to purchase the vessel Forum New Zealand II. For the first time, the Line became a ship owner in its own right. But it should be noted that this process did not run smoothly. It needed a long time with lengthy negotiations not only with the New Zealand government with regards to purchasing extra-shares in the PFL, but also negotiating with the owner of the New Zealand Line for the sale of the vessel. More importantly, as PFL's General Manager claimed, the

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26. See Background Information, op.cit.p.21.

27. The value of the Company's fixed assets in 1989 was WS$40,739,431 - consisting of containers WS$17,759,870; stevedoring equipment WS$711,758; ships equipment WS$597,926; office furniture and equipment WS$1,618,091; motor vehicles WS$765,720; buildings WS$3,665,318; leasedhold improvements WS$450,828; vessels WS$14,788,480; and land WS$381,440.
most frustrating period was when the PFL attempted to secure 'agreements with the four Maritime Unions in order to operate the vessel'. In 1992 the Line was still chartering three vessels: Forum Samoa, Fua Kavenga, and Forum Micronesia.

There are other important points to note when the Line members tried to save the PFL, in particular how much the Australian and New Zealand governments, and to a lesser extent the Island states, contributed financially, politically or just in encouragement. The role played by Australia and New Zealand to ensure the survival of the Line was recognised by most of the Island leaders. As Tom Davis said:

Australia and New Zealand are very much involved in helping the Line operate. They argued from the beginning that the Line is better managed purely on a commercial basis, and tried to avoid any government's intervention.

New Zealand was the Forum member, and from the beginning, had been very serious about making the Line successful. Compared with Australia, New Zealand has contributed more both financially and politically. The New Zealand government claimed that due to its geographic position and for cultural reasons it has given more serious attention to its closest Island states. Its success in maintaining shipping links with its former colony, the Cook Islands, was another motive behind its stand to support the Line's establishment. As Robert Muldoon explained:

We had subsidised the private shipping service to the Cook Islands, because it was very important to have regular shipping to transport perishable products such as bananas and pineapples. ...When we became the government again, I set up a Cook Islands shipping Company which was a combination of the Cook Islands shipping and the Julian Co. And then I decided that it would be a good idea if we could extend this principle to the whole of the Forum countries to get them regular shipping for perishable products. So, I put it to the meeting of the Forum.

New Zealand's commitment had never wavered although in the first ten years the Line experienced severe financial problems. New Zealand's financial contribution was the highest among shareholders. The following summarises its financial contribution:

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28. See Background Information, op.cit. p.15.

29. Interview with the author, Rarotonga, 23 October 1991.

Table 19
New Zealand’s Contribution to the PFL

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>1974</td>
<td>NZ$25,000</td>
<td>to enable the proposed shipping Line get started.</td>
</tr>
<tr>
<td>1978</td>
<td>NZ$100,000</td>
<td>to help solve financial problem</td>
</tr>
<tr>
<td></td>
<td>NZ$150,000</td>
<td>further help for short term relief</td>
</tr>
<tr>
<td>1980</td>
<td>NZ$6.6 million*</td>
<td>to meet the PFL’s losses</td>
</tr>
<tr>
<td>1981</td>
<td>NZ$3.4 million</td>
<td>subsidy for running &quot;Forum New Zealand&quot;</td>
</tr>
<tr>
<td>1982</td>
<td>NZ$8.8 million*</td>
<td>as a pledge for IEB</td>
</tr>
<tr>
<td>1985</td>
<td>NZ$5 million</td>
<td>grant as capital injection</td>
</tr>
<tr>
<td>1986</td>
<td>NZ$50,000</td>
<td>to support the Programme Controller’s position</td>
</tr>
<tr>
<td>1987</td>
<td>NZ$100,000</td>
<td>as above</td>
</tr>
<tr>
<td></td>
<td>Total NZ$27.5 million#</td>
<td></td>
</tr>
</tbody>
</table>

Note:
* After conversion from US dollars, using the exchange rate in that year.
# This excludes its annual contribution to subsidize the Feeder Service from 1983-1993 at about NZ$400,000 a year.

Source:

Australia, on the other hand, contributed less. Australia was not a shareholder, and had stated on many occasions that regional shipping would be hard to operate successfully. Australia’s concern, expressed before the Line was established, was that a commitment to a regional shipping corporation ‘would be a commitment of an open-ended subsidy to meet anticipated losses’. Andrew Peacock did not deny such a statement. He said, ‘we are getting more and more concerned about the increasing costs related to the efficiency of the Line. But during the time I was Foreign Minister, we kept our support going’. When the Line experienced financial losses and capital was needed, Australia was again blamed by the Island members. Australia did not want to share the burden of the Line’s loss. Since its inception, the Line had lost A$29 million and the Australian government had been asked to pay out A$3.5 million to keep it going, but refused. New Zealand was very angry. Muldoon accused Australia of a lack of interest in the venture. At the 1983 Forum meeting, Muldoon criticised the Foreign Minister, Bill Hayden, for getting wrong advice from his staff in Canberra. Muldoon said that Hayden’s disagreement with the Forum leaders on funding for


32. Interview with Hon. Andrew Peacock, MP., former Minister of Foreign Affairs, and now member of the Opposition’s Shadow Ministry, Canberra, 14 July 1992.
the Forum Line had destroyed Australia's image in the South Pacific. Similarly the Fiji Foreign Minister, Moses Qionibaravi, stated that 'the Australian decision not to fund the Line was politically bad and had injured Australia's relations with Pacific countries'.

Hayden said:

If Pacific Island countries wished Australian aid funds allocated to other priorities to be made available to the Line, this could be done. However, Australia could not do better than that; there was no other source of funds. ...If a decision was made to redirect funds Australia was prepared to cooperate but it would involve a sacrifice of such projects as the extension of SPEC Headquarters, regional telecommunication development programme, extra-budgetary funding for SPEC and so on.

Muldoon did not believe that Australia's stand was because of Australia's financial problems. He said, 'on one hand Mr. Hayden has been telling us that Australia is short of money and the Australian tax payer can't help the Forum Line and on the other hand they've been making a great show of this offer of patrol boats'. Hayden rejected Muldoon's remark saying, 'no bureaucrat makes decisions for me unless I'm satisfied about the evidence to justify it'. He further said, 'they provided me with a mass of documentary evidence ... New Zealand was merely looking for someone else to blame for the failure of the Line, which Australia had said all along was uneconomic and which was now gorging up cash'.

Muldoon also rejected the accusation that New Zealand's serious commitment to the Line was because it was getting more trade. He argued, 'it was untrue; nothing could compensate New Zealand for what it had put into the PFL. New Zealand had felt that regular transport was vital to the Pacific and response from Island states had testified to this'.

It can be argued that compared with New Zealand, the motives for Australia's support of the Forum Line, when its establishment was agreed to in 1977, were not purely commercial. Australia's view was that regional shipping should be left only to commercial interests. Australia, in the end, had only agreed to divert US$4 million from its aid funds to the region for the Line. The following summarises Australia's contribution to the PFL.


35. 'Hayden Blamed for Blunder over Ship Line', *Auckland Star*, 1 September 1983, p.3. More information about the Patrol Boats offer, see Chapter IV on Nuclear Issues and Chapter VII on Fisheries.


37. Ibid.

Table 20

Australia's Contribution to the PFL

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977</td>
<td>A$100,000</td>
<td>grant for the PFL’s initial capital</td>
</tr>
<tr>
<td>1978</td>
<td>A$...?*</td>
<td>loan converted to a grant</td>
</tr>
<tr>
<td>1982</td>
<td>A$1.5 million</td>
<td>to assist the PFL to purchase container equipment</td>
</tr>
<tr>
<td>1982-84</td>
<td>A$2.3 million</td>
<td>as a guarantee for getting EIB loan</td>
</tr>
<tr>
<td>1983</td>
<td>A$300,000</td>
<td>to help conduct a study on Feeder Service</td>
</tr>
<tr>
<td>1983</td>
<td>A$4.4 million</td>
<td>to meet the PFL’s losses (diverted from its bilateral aid to Fiji, Kiribati, Tonga, Solomon Islands, Tuvalu, Western Samoa, and PNG from its total budget fund).</td>
</tr>
<tr>
<td>Total</td>
<td>A$8.4 million</td>
<td></td>
</tr>
</tbody>
</table>

Note:
*This amount is unknown. The PFL’s General Manager responded to the author that there was no available data for this.

#This total excludes Australia’s annual contribution to the Feeder Service from 1983-1993 at about A$300,000 per year.

Sources: Compiled from various Documents 1971-1991.

Another way to show the seriousness of Australian and New Zealand attempts to meet the Island leaders’ expectation on this issue was their agreement to fund the Feeder Service. This service commenced in 1982 at the request of the Tuvalu and Kiribati governments. In 1981 the Tuvalu Prime Minister said: ‘one of the objectives of the PFL was to assist the smaller Island countries. That objective had not yet been met’.

The Australian and New Zealand governments in 1982 agreed to fund the service with A$300,000 each annually. Initially its route was only Fiji - Tuvalu - Kiribati and return.

In the period between 1982-85, this service was financially supported on an annual basis by the Australian and New Zealand governments. Neither government indicated its commitment to long-term funding, but reviewed its commitment regularly. In 1988-89 a consultant funded by the UNDP and the New Zealand government was assigned to study whether the Feeder Service needed to be continued. The Report suggested that ‘if a purpose built vessel was constructed, and the service extended to include either Australia or New

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Zealand and the Marshall Islands, it could be ultimately viable'. Fortunately, the Forum leaders were successful in convincing Australia and New Zealand to continue their support. Similarly, though there has never been long-term commitment, both countries always helped smaller Island countries that would never have had any regular shipping services if port calls were judged solely on the availability of goods to carry. The Australian and New Zealand governments from year to year agreed to fund the Feeder Service up to 1990 and have indicated that they would support the service only until 1993. After that, it was very unlikely to get further support. More recently, both governments' agreement to support the service was under conditions such as the acceptance by the Forum Line to charter a small containerised vessels to develop the service along the lines suggested by the consultant. The port rotation since 1989 was New Zealand - Fiji - Tuvalu - Kiribati - Marshall Islands and return. In order to establish the service and provide more appropriate marketing emphasis, the PFL has changed the name to the Micronesian Service, and the vessel has been renamed Forum Micronesia.

Unfortunately, the service, as predicted, suffered losses. These were caused by the fact that the vessels only carried adequate cargoes to Kiribati, Tuvalu and Marshall Islands and carried a small tonnage when they returned to Fiji. Another reason for the losses related to the fact that businessmen in the Marshall Islands are still US oriented, and will take some considerable time to look at goods from other parts of the world. A further reason, as reported by the Forum Secretariat, was the fact that charter costs represent 43% of overall costs of operating the service. In 1991 the figure was higher. Out of the 1991 Budget of NZ$4.5 millions, 50% of this cost was charter hire. Though annually funded by the Australian and New Zealand governments, the losses experienced by the Feeder Service has burdened the PFL. Since 1989 the Line has been forced to commit funds from its own resources to meet the losses incurred. A temporary solution was reached after the Forum Secretariat, the Australian and New Zealand governments each agreed to fund one-third of the forecast loss (about NZ$1.2 million per annum) for operating the service for 1991-93. The balance was funded by the PFL, but most recently PFL's General Manager stated that 'PFL is no longer in a position to contribute to the cost of this operation'.

Based on those facts, the prospect of the Feeder Service is unclear, unless certain

41. Background Information, op.cit.,p.23.
requirements are met. First, subsidies given by the Australian and New Zealand governments are extended beyond 1993, and other contributions from the Forum Secretariat and other international organisations such as the EC are obtained. Secondly, the chartered vessels system should be replaced, and thirdly, the recent request that the Service be extended to incorporate a call at Nauru offers hope. When Nauru made the request in February 1991, it promised to pay for thirty container slots per voyage, whether utilised or not. In April 1991 the *Forum Micronesia* made a trial call at Nauru and discharged 37 containers. It is still too early to predict whether Nauru’s commitment can be maintained, but it will definitely help the service to survive. As at 31 August 1992 the ports of call of the Feeder Service have been rescheduled as follows: Suva-Funafuti-Tarawa-Honolulu-Kirimati Island (Kiribati)-Apia-Pago-Pago (American Samoa)-Nuku’alofa, and return to Suva. The reason for adopting the above schedule has been the attempt to operate the service within the subsidies provided by the Australian and New Zealand Governments. It is hoped that the demise of the Hawaii Pacific Line, which had previously been trading from Honolulu into the Pacific, could generate extra cargoes for the Feeder Service.

If calling at Nauru is profitable, then the Service’s route should be changed. The PFL suggested that the call to the Marshall Islands must be terminated. Therefore, the route should be: Australia - Fiji - Tuvalu - Kiribati - Nauru - Australia. This format would provide the ability to carry imports bought by Nauru from Australia, and put the service in a stronger position to quote for the Kiribati cargo presently sourced from Australia and carried under contract on the Chief Container Service vessels. If it is agreed, it is expected that the above format would meet the EC criteria.

The Feeder Service has only satisfied one of the major objectives laid down for the regional line. Since the introduction of this service, three of the shareholders, Tuvalu, Kiribati, and to a lesser extent the Marshall Islands, have enjoyed regular shipping services which in turn have brought stability to the flow of products to those countries. But funding of the Feeder Service by the PFL places considerable pressure on PFL’s resources. The Line itself is now experiencing a difficult period with strong competition eroding freight levels.

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44. An approach by the PFL to the EC to build vessels constructed out of Lomé IV had been made, but failed because the criteria laid down by the EC were not met. One was the Service calls at the Marshall Islands, but the Marshalls is not a Commonwealth state, and thus not eligible to get access under the Lomé Convention.

45. This means it agreed to pay for the space for thirty containers.

The expectations of the Forum leaders in establishing the regional Shipping line have been met. The fact that in the first ten years the PFL experienced losses has to be accepted. The PFL was undercapitalised and as the first regional venture, it needed some time to improve its management in order to make it commercially profitable. Though it claimed to make a trading profit since 1985, in real commercial term, it is still an unprofitable company. But in terms of services, the PFL has definitely met its objective. It has provided a reliable service to all its members, except Niue which just joined in 1991, and it has kept freight rates down at a time when rapidly increasing fuel prices were placing considerable strains on Island economies. Therefore, the Line’s losses in its first ten years should not be regarded solely as failure.

The Line’s regular service to smaller Forum countries such as Kiribati is very important, although its regularity has not contributed to a trade increase. Tabai noted:

Our only benefit is the regular service, and more competitive [freight rates]. But I do not see that the regular service increased the volume of goods entering Kiribati and in turn, since more supply of goods, reduce the price of those goods which finally enable our people to buy more. I even noticed that from time to time, the prices of goods are increasing. Tekeu Tokataakai, Secretary of Transport and Telecommunication of the Kiribati government, explained it this way: ‘we cannot get goods cheaper, because all goods are loaded in Fiji and then transhipped to Kiribati through Feeder Service’. Such a statement is confirmed by Chris K. Rupen, the Director of the Maritime Division of the Forum Secretariat. Rupen explained that as one of the steps to enable the Feeder Service to survive, a consultant funded by the EC under the Lomé Convention IV was commissioned. He was given the main task of seeing whether the vessels need modernisation and whether the current vessels are viable or not.

The operations of the Line have also been sensitive to developmental needs, particularly of the smaller Island countries and generally the Line has facilitated the movement of cargo to and from Australia and New Zealand. It was not until 1985 when the PFL started to be profitable that the Island leaders were satisfied.

There is one interesting point to note in relation to benefits gained from the Line’s

47. Interview with the author.


operation. Some shareholders did not enjoy a real advantage but were happy to remain as members just to foster the spirit of regional cooperation. Though the Cook Islands became a member and shareholder of the Line it has never been served by it. It had a special shipping arrangement with New Zealand and besides it has its own vessels operating. Tamirii Tutangata, Secretary of the Prime Minister Department of the Cook Islands, said:

In reality we have not gained any benefits. The money we invested [contributed as shareholder] has no direct return profit. However, we remain as one of the shareholders. It is not more than for the spirit of solidarity in regional organisation.50

A similar situation applied to Niue which just joined the Line in 1991. When the Line experienced serious financial problems in 1983, Niue was committed to contribute. As Robert Rex, Niue’s Premier, stated: ‘this contribution was not related to the question of whether Niue would benefit from the PFL, but was in recognition of the need for regional cooperation’.51

2. Civil Aviation

Air transport in the South Pacific has become increasingly important as a means of establishing domestic, regional and international links for each state’s economic and social development, in particular for integrating widely scattered communities, for the rapid conveyance of government and business personnel, for the development of tourism, and for the movement or urgently needed and perishable commodities. As in the case of the shipping line, the Forum countries saw two symbolic values: they would be expressing their political independence and they would be possessing and managing one form of the most advanced technology.

The South Pacific Forum countries have been committed to regional cooperation in civil aviation, though the degree of cooperation achieved has not been as great as in shipping. The first and second Forum communiques stated clearly their commitment. At the first Forum meeting in 1971, there were no Pacific leaders to raise the issue and it was the New Zealand Secretary for Transport, Raymond J. Polaschek, who finally spoke on the matter. He informed the meeting that the Pacific region should respond to the development of civil aviation taking place at that time. He referred especially to the decision by the US

50. Interview with the author, Rarotonga, 24 October 1991.

President, Richard Nixon, who put pressure on the US airlines to compete with the regional airlines already operating in the South Pacific. Polaschek suggested that in order to meet expected developments, improvements were needed in airport facilities. Furthermore, he said, there was a need to control charters to prevent disruption of regular scheduled operations. At the 1972 Forum meeting in Canberra, the Forum leaders 'recognised the importance of aviation communications in the isolated situation of Island states'. In 1974 at the Rarotonga Forum meeting leaders agreed that a meeting of ministers responsible for civil aviation should be arranged to find out whether it was feasible to establish a regional airline or was it better to develop the national airlines of the Forum members. At the Nauru meeting in 1975, the Forum directed SPEC to convene a meeting of civil aviation ministers to 'draw up the terms of reference for the establishment of a consultative body to explore the possibilities of technical cooperation between the airlines of the region, and investigate rationalisation of routes, [and] standardisation of equipment'.

2.1. Concept of a Regional Airline

Though all the Forum leaders had a strong commitment to the concept of a Regional Airline, they had different perceptions. Fiji wanted 'one regional airline', while others preferred 'a form of cooperation among the several national airlines serving the region'. Fiji wanted the Forum countries' full support for the expansion of the existing regional consortium, 'Air Pacific', rather than developing their own national airlines. As Ratu Mara emphasised: 'In civil aviation, Fiji remained committed to the development of Air Pacific as the regional carrier'. The idea of a consortium airline to meet the essential transport needs of the Island countries which could not otherwise be met was basically sound. The Island states actually had good cause to support the idea, especially if considering their financial and technical sources and small populations. The consortium airline could also serve as the basis for developing a competitive capability which would not be possible if each Island state were to form its own airline.

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The claim that Air Pacific should be regarded as a regional carrier was based on at least two factors. First, it was jointly owned by several Pacific countries (Fiji, Western Samoa, Tonga, Solomon Islands and Nauru) and three international airlines (Qantas, BOAC/UK and Air New Zealand). Secondly, its services covered much of the central and western part of the region.

The lack of commitment to support Air Pacific as a regional airline continued for some years. Except for Fiji, the Island states lacked the finance to expand the company, to maintain the airline or to increase their shareholdings. When Air Pacific in 1974 was virtually bankrupt and needed a capital injection of F$2 million to survive, Fiji alone agreed to provide 94 per cent of it and thus brought its shareholding to 60.9 per cent. Other Island states only paid their original capital share and Western Samoa refused to pay the extra money and instead offered some capital as a loan. As a result Fiji was seen as dominating Air Pacific, because it originated from Fiji’s national airline, it was Suva based, Fiji was a major shareholder and consequently it provided more employment to Fijians. Because of the lack of support from all the Forum countries, Fiji decided in the mid-1970s not to pursue the idea of a single regional airline.

The differences between Fiji and the other Island states inhibited the development of a Forum policy. The Island countries, instead, preferred developing their own national airlines. The Island leaders believed that a national airline would bring greater economic benefits, provide services suited to particular state needs, and more importantly add to national prestige. For example, the Nauru government established ‘Air Nauru’ and it started operations in 1969.

Polynesian Airlines, which began operating in 1969, was owned by the Western Samoa government (70%), Air New Zealand (10%), Air Pacific (10%), and private shareholders (10%). Air Nuigini, Papua New Guinea’s flag carrier, was created in 1973. In December 1976 it was owned by the PNG government (60%), Ansett (16%), Qantas (12%), and TAA (12%). By 1977, the PNG government decided to purchase the Qantas and TAA

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shareholdings and to reduce Ansett’s holding by 25%. From the mid-1970s Tonga similarly believed that a national airline was very important. As the King of Tonga said: ‘an airline would play a most important role in the economic development of Tonga in such fields as tourism, agricultural and handicraft exports’. But Tonga did not have its own airline until 1985 when its Friendly Islands Air began operation (in July 1991, it was renamed Royal Tongan Airline).

There are several reasons why Island States wanted their own national airlines. The first was their desire to have a national symbol. After gaining political independence, each Island state has aspired to have its own flag carrier as a symbol of newly acquired nationhood, though economically not all of them could afford to purchase aircraft. It is also important to note that the regional interests of each colonial power played a strong hand in determining the air network into which each island was incorporated. Before independence, each major island group had its air services dominated by the airline of the metropolitan power responsible for the administration and negotiation of the island’s air traffic agreements.

The second reason was their awareness that the geographical characteristics of their countries brought problems of inter-islands transportation. Island economic and social development were highly depended on better air services. With airlines, the movement of peoples from one island to another or between one country and another would obviously be more frequent. This in turn could foster economic development. Tom Davis recognised the increasing importance of air transportation. In his view, air transportation enabled his country to increase its agricultural exports from approximately NZ$1.5 million to NZ$4 million in the period of 1980-81. He claimed that 80-90 per cent of those increased exports resulted from the provision of adequate air freight capacity. A similar increase in Cook Islands manufacturing production (from NZ$1.5 to NZ$4 million) in the period of 1980-82 resulted not from shipping services but from air transport. Recognition of the importance of air transport was expressed by other Island leaders. Walter Lini stated that after Air Vanuatu began operation in 1980, tourist traffic had grown by 80% in early 1981.

The geographic setting, along with conflicts between the demand for socially

60. *Pacific Islands Monthly*, February 1977, p.64.


63. Ibid., p.21.
desirable route networks and the imperative of adequate economic returns, creates severe pressure on airline operations. Island states such as Tuvalu and Kiribati, for example, operate some routes for social reasons, particularly the movement of their peoples in the scattered islands. Other problems are associated with long distances between the islands, limited passengers and cargoes to carry, and lack of personnel trained in the technical and managerial sides of the running of airlines. As a result the national airlines of the region have in most cases experienced losses.

The failure to develop a regional airline, nevertheless, was not entirely because of the Island governments’ lack of commitment. Some Island states had been prepared to give spoken support to the concept, though at the end they were not committed to its realisation. Many states did not want to surrender what they saw as part of their national interest. At the very beginning of negotiations to create a regional airline, Ratu Mara had warned his colleagues that this was the first test for the existence of the South Pacific Forum. At the Forum meeting in Rarotonga in May 1974, he said: ‘the SPF will stand or fall on Civil Aviation. ...Civil Aviation will be the real test of the South Pacific regional cooperation’.

The failure to establish a regional airline was, nevertheless, predictable. The concept was the very first regional venture being attempted by the Island leaders and the South Pacific Forum, including SPEC, was still a very young organisation to tackle such an important issue.

2.2. Another form of cooperation

With the failure to develop a regional airline, Forum leaders shifted their attention to other forms of cooperation. As authorised by the Forum leaders in 1974, a meeting of Civil Aviation ministers was held in Nauru in 1975. The meeting recommended the establishment of a Regional Civil Aviation Council comprising ministers to ‘conduct investigations and advise the Forum on the development of civil aviation in the area’. The recommendation was then approved by the 1976 Forum meeting in Rotorua in March, and in July the first

44. Tuvalu is now served by one international flight, Air Marshall and Kiribati is served by Air Marshall and Air Nauru. Kiribati’s national airline is called Air Tungaru.


Council meeting was held in Suva. This meeting discussed several issues such as how to promote national airlines in the region. Since then the Council has met annually.

In 1978 further progress was made in securing cooperation on civil aviation. In its meeting in Apia on 22-23 June 1978 the South Pacific Regional Civil Aviation Council recommended that the Forum leaders form an Association of South Pacific Airlines (ASPA). The Forum leaders agreed to the recommendation in its Niue meeting in September 1978 and then mandated SPEC to form the Association. The objective of ASPA include 'the rationalisation of schedules, pooling of resources, standardisation of equipment in the region and tariff recommendations'. This Association was expected to examine issues such as holding negotiations with oil companies supplying aviation gasoline (AVGAS) in the region. It was also asked to make some recommendations on such matters to the Regional Civil Aviation Council.

At its tenth meeting held in Suva in February 1986 the Council welcomed an offer of closer cooperation and assistance from the International Civil Aviation Organisation (ICAO) and then directed SPEC to work closely with ICAO in identifying areas for regional assistance and to seek appropriate funding. At that meeting the Council also established a Standing Committee of Civil Aviation Officials to review and monitor civil aviation developments in the region. Further assistance was given by UNDP. In April 1986, UNDP approved a project which provided for a detailed 'Needs Assessment Survey' to be carried out in conjunction with the Island states and to be executed by the ICAO. The Survey was carried out in late 1986 and its objective was to review the Island states' current level of civil aviation activity and its developments and then to assess those further needs which were considered essential for reasons of operating safety, increased efficiency and economy, or to satisfy overall transportation requirements. The Report of the Survey was submitted to the Standing Committee of Civil Aviation meeting in May 1987. The Committee agreed to:

Request the Secretariat, ...to draw up a list of regional recommendations based on the findings of the 'Development Assistance Needs Report' in priority order with an estimate of their costs and a time scale for their implementation; and

Request the Secretariat to prepare for the next meeting of the Standing Committee of Civil Aviation Officials a list of possible sources of funding for regional and national projects to be included in a regional civil aviation development programme.

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67. Ibid.


69. See South Pacific Regional Civil Aviation Programme, (Suva: SPEC, December 1987), p.3.
The objective of the South Pacific Regional Civil Aviation Development Programme (SPRCADP) is to help member states develop an internationally accepted civil aviation infrastructure for the safe and economic operation of aircraft. To achieve this objective the project provides: (a) a regional specialist team, (b) fellowships and training, and (c) operational and support equipment. In this programme, the civil aviation administration in each state is assisted through a pool of readily available specialists in various disciplines. Those specialists carry out remedial work on identified problems and evaluate, analyse and recommend action. The training includes programmes which upgrade management, legal, planning, engineering, technical and operational skills of selected civil aviation personnel. And the last component is aimed at strengthening the capabilities of civil aviation administrations to effect safe and reliable aircraft operations. This includes the provision of essential communications, navigational, fire and rescue, meteorological, security and other support equipment at selected airports conforming to the ICAO minimum standards. The total project is estimated to cost US$31.01 million over five years. The funding is from several sources such as the EC/ACP Lomé Convention, and is expected in the form of a grant aid. SPRCADP commenced in 1990 and by August 1992 some projects had been completed.

By negotiating finance, equipment, technical assistance and training at a regional level the bargaining power of the individual state is enhanced. Another important point is that all projects under SPRCADP are designed to meet each country’s special needs.

Besides contributions from international organisations, the Island states have gained assistance for certain projects from donor countries under bilateral aid. Donor countries such as Japan prefer providing aid on a bilateral basis rather than a regional one. Other countries assisting the development of civil aviation are the People’s Republic of China, Taiwan, and even Nauru - which assisted the extension of Tarawa Airport, partly because Air Nauru benefited from the extension.

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70. Ibid.

71. Ibid., pp.4-5.

3. Conclusion

The Forum leaders had a success and a failure in their efforts to realise their expectations in the field of regional transport, specifically on shipping and civil aviation.

On shipping, it can be said that the Forum leaders’ expectations were met. Though initially the PFL experienced great financial problems, it later succeeded in gaining cooperation among the Island states and Australia and New Zealand. But it should be remembered that compared to the amount of money injected to ensure the survival of the company from the mid-1970s, the PFL had not yet achieved commercial success. On the other hand, attempts to establish a single regional airline failed, and the Forum countries turned instead to develop their own national airlines and, at a regional level, to give priority to other forms of cooperation in civil aviation. This failure encouraged the Island leaders to make, with whatever cost, the PFL successful.

Another factor of great significance was that the shipping venture was, as Fry also concluded, an indigenous initiative from the beginning, and therefore the Island leaders’ serious commitment was different to that for Air Pacific. Air Pacific was created and managed primarily by metropolitan airlines, whereas the Forum Line was established and managed by Pacific Islanders. Many Islanders regarded Air Pacific as a regional venture in which metropolitan powers were still heavily involved.73

The Forum Island countries also had another associated success with shipping. They were able to put pressure on the Australian and New Zealand governments to control the activities of their maritime unions in the region, and to convince them to give financial support for the Line’s operation. The PFL would not exist now without the two governments’ huge contributions.

Although the concept of a regional airline was the first venture attempted, in terms of organisational framework, the Island leaders, did not give adequate support. Compared to shipping, for instance, the Forum leaders gave second priority to civil aviation issues. The absence of a qualified officer in charge of civil aviation matters in the Forum Secretariat was

evidence of this. There is also another important point to note arising from the Forum's experience in handling transport. The attempts to establish the regional shipping line and airline illustrate the strengths and weaknesses of Pacific regionalism. The tension between nationalism and a desire for regional cooperation can also be seen. There was one factor that made regional cooperation in shipping in the end successful, and that was the Island states' readiness to sacrifice part of their national interests for cooperation. They were aware of the need to cooperate because most of them understood that nationalism could not flourish without economic capability. In short the special characteristics of the Island states had caused them to promote cooperation. By contrast, the failure to establish a regional airline demonstrated the strength of particular national identities and particular national perceptions of self-interest. Consideration of the Forum's deliberations on cooperation in regional transport is useful in indicating the difficulties and limits inherent in some issues.

74. Until the beginning of 1991, civil aviation activities were supervised by the then Head of the Transport Division, whose primary responsibilities lay with a separate Maritime Development Programme and who was assisted on civil aviation matters by a technical officer. After the commencement of SPRCADP in 1990, a separate Civil Aviation Division was established by the Secretariat. A new Director, funded by Australia, was recruited and took up full responsibility for civil aviation matters in early 1991.
CHAPTER IX
CONCLUSION

The three established theories of integration - federalism, functionalism, and neo-functionalism - cannot be applied with complete satisfaction in this study. None fits the special case of the Forum. Nevertheless, a brief examination of those theories, and comparing the Forum with other regional organisations belonging to Third World countries, especially ASEAN, have proved useful in understanding how the South Pacific Forum functions, and in turn, enabled us to make some final assessments of the Forum.

The following description will summarise what the Forum achieved or failed to do - measuring success and failure against the Island leaders' original and increased expectations.

1. The Strengths and the Weaknesses of the Forum

The strengths of the Forum are very clear. On political issues such as nuclear testing, the environment and decolonisation, the Forum has performed as well as its members could have expected. The success of the Forum's diplomacy on these issues had been demonstrated in their bargaining power with countries outside the region, in particular, with France, the US, and Japan. The Forum has been the means for members to cooperate in various fora. The Island states have also cooperated among themselves in the region through organisations/agencies outside the Forum's framework; those who are members of the Commonwealth have worked both among themselves as well as with other Commonwealth countries when attending Commonwealth meetings; and those who are UN members have cooperated at the UN and its specialised agencies such as UNDP, UNEP, and the like. The Forum's opposition to France over its nuclear testing programme showed how the Island states could unite to launch strong protests. Prior to that, the Forum had combined to address two major issues: the international law of the sea and getting access to the Lomé Convention.

The Forum's methods of expressing its opposition to countries outside the region has been changing depending on responses given by those countries, the regional and global

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1. Fiji and Western Samoa are the oldest members of the UN, then followed PNG, the Solomon Islands, Vanuatu and most recently, the Marshall Islands, and the Federated States of Micronesia.

2. These two issues were discussed in depth in G.E. Fry, 1979, op.cit. pp. 166-69.
political environment, and the foreign policies of some Forum members. Resolutions adopted by the Forum after its annual meetings have always been the first method to be used to express its concerns. Examples of this are those adopted to oppose French nuclear tests, urge France to find the fastest acceptable solution on New Caledonia’s future, ask the US and Japan not to dump their nuclear waste in the region, and urge Japan, South Korea, and Taiwan to cease their drift netting. In most cases, simple resolutions did not work well, and the Forum took other stronger methods. For example the Forum sent delegates to monitor or observe or research certain problems, such as the Forum’s scientists’ visits to Moruroa and Johnston atolls, and the Forum delegations to France for consultation with President Mitterrand on nuclear testing issues and the decolonisation process in New Caledonia, to Washington for consultation with the US officials over the Johnston atoll issue, to New Caledonia to monitor the development of Matignon Accord, and to countries possessing nuclear weapons to explain the main objective of the Rarotonga Treaty. A further method the Forum employed was to design a legal arrangement. They adopted the South Pacific Nuclear Free Zone Treaty and its protocols to protest against France over its testing programme and to press other countries possessing nuclear weapons not to use the Pacific for nuclear purposes. To protect their environment, they adopted the SPREP Convention. To maximise their exploitation of their marine resources, they negotiated various treaties on fisheries with distant water fishing nations, such as that with the US. To gain unrestricted and non-reciprocal access for their goods to enter Australian and New Zealand markets, they succeeded in adopting the SPARTECA Convention. The Forum countries have preferred to solve issues on a regional basis rather than on an international one. For example, they tried hard to help resolve the New Caledonia issue by themselves before going to the UN and other organisations elsewhere.

Another important lesson that can be drawn from this study is how decisions were made: what roles Australia and New Zealand played, and to what extent the smaller Island states could have influence. This process is interesting because the process itself contributed significantly to the development of the Forum.

When the Island leaders created the Forum, they believed that individually they did not have any strength to negotiate with bigger countries. It was their expectation that by uniting they would have that strength. That expectation has been met. On various occasions the smaller Island states have indicated that their voices were heard by the larger states inside and outside the Forum. Tuvalu and Kiribati have had many proposals accepted by other members and those proposals have become the basis of Forum decisions. For instance, their
The Island states' expectation towards Australia's and New Zealand's involvement in the Forum has also been met. In many cases Australia and New Zealand have cooperated with the Island states. Both countries not only provided financial assistance and expertise, but also convinced their maritime unionists to cooperate with the Island states. When the PFL was under negotiation, for instance, the Island states were very concerned whether both countries' unions would cooperate. The Island leaders urged both governments to negotiate with their unionists. They did so, and reached appropriate agreements.

The initial conclusion of SPARTECA could also be regarded as a success for the Island states' negotiation to get access for their goods to Australian and New Zealand markets. When SPARTECA did not work well and benefited only some Island countries, the Island leaders again urged the Australian and New Zealand governments to revise the agreement. They were successful and the agreement was amended in 1989 to accommodate the Islands' concerns. This is also evidence of the Australian and New Zealand governments' willingness to cooperate with the Island states.
It is also interesting to note the policies of Australia and New Zealand varied with the parties in power. If we look at the degree of success on certain areas of cooperation that the Forum has pursued, there is a strong indication that the Australian Labor and New Zealand Labour governments have emphasized certain political matters. For example, the first proposal on the South Pacific nuclear free zone, pushed by the New Zealand Labour government and supported by the Australian Labor government, was discontinued because both Labor governments were defeated in 1975. Such a proposal was again pushed strongly by the Australian Labor government when it won election in 1983. Besides the conclusion of Rarotonga treaty in 1985, there have been other examples in which Labor governments in both countries succeeded through more effective political cooperation: the conclusion of SPREP in 1986 (though the negotiations started in mid-1970s at the time of Liberal governments), the stronger push on the decolonisation process in New Caledonia, and environmental issues such as the Johnston atoll debate, greenhouse effects, and nuclear waste disposal. The other governments in both countries (the Australian Liberal government between November 1975 - March 1983 and the New Zealand National government between 1975 - 1981), on the other hand, have been more successful in encouraging economic cooperation. During that period, for example, the process of negotiations on economic areas was pursued more strongly and resulted in the establishment of all of the Forum’s economic agencies: the PFL was established in 1977, the FFA in 1979, and SPARTECA in 1980.

Changes of government in Australia and New Zealand had greater consequent changes in their policies toward the Forum compared with changes of government in the Island states. That is not surprising because both governments are the rich, former colonial masters, and thus have more strength to influence the development of the Forum. Apart from that, there were fewer changes in Island governments. Fiji had Ratu Mara since the Forum was created till 1991 (minus the short-lived Bavadra’s period), PNG had Michael Somare since joining the Forum in 1975 till 1991 (though he was not always in his capacity as the Prime Minister), Vanuatu had Walter Lini since independence up to 1991, similarly the Solomon Islands, and other smaller states such as Kiribati, Tuvalu, Nauru, the Cook Islands, and Niue had no major changes in leadership (see Table 21).

There were some policy differences among the Island states, especially on certain tough issues such as nuclear testing and related matters. Generally, the Polynesian states, which are poorer than Melanesian and many were the founding members of the Forum, saw the Forum as a place to boost economic cooperation, besides, of course, using it for political purposes. The Melanesian states, which have a greater variety of economic resources and
## Table 21
**FORUM COUNTRIES’ HEADS OF GOVERNMENTS: 1971-1991**

<table>
<thead>
<tr>
<th>Country</th>
<th>Prime Minister/PM</th>
<th>Dates</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1975-1983: John M. Fraser (1979, 81)</td>
<td></td>
</tr>
<tr>
<td>Federated States of Micronesia</td>
<td>Premier</td>
<td>1986-1990: John Haglelgam</td>
<td>Solomon Islands (Prime Minister):</td>
</tr>
<tr>
<td>Fiji</td>
<td></td>
<td>1971-1987: Ratu Kamisese Mara (1979, 86)</td>
<td></td>
</tr>
<tr>
<td>New Zealand</td>
<td></td>
<td>1971-1972: Keith Holyoake</td>
<td>Western Samoa (Prime Minister):</td>
</tr>
</tbody>
</table>

**Note:** Years in parenthesis indicate their absence in the Annual Forum meetings.  
**Sources:** Various Documents and information.
which joined the Forum later, perceived the Forum mostly as a place to push political ends rather than secure economic cooperation. The Melanesian states’ role on the decolonisation process in New Caledonia and their strong stand on nuclear matters are examples. The Melanesian countries’ stronger stands were partly caused by the nature of their experiences with their former colonial powers, and partly due to their greater economic potential which made them more confident than their fellow Polynesians. The Micronesian states took a similar stand to the Polynesians in the sense that they perceived the Forum as more a means to economic objectives than political. Nauru and Kiribati were dominant on certain issue such as fisheries in which they have more resources than Polynesian states. They also had active roles in setting the environmental agenda because they were aware of their geographic vulnerability. The Marshall Islands and the FSM had not yet revealed distinguishing characteristics in the way they have approached significant political and economic matters in the Forum.

The Forum’s successes have derived from various sources. The first was the frequency of heads of government meetings. The Forum is the only regional organisation in which the members heads of government meet annually. It was only with a very strong reason that one of the heads of government on one occasion did not come to the annual meeting. These frequent meetings and the few changes in the Island leaders enabled them to know each other very well and resulted in difficult issues being dealt with more easily. Also they could lobby each other on certain issues, in particular, those concerned with outside countries. The formal and informal relationship among the Island states and with Australia and New Zealand contributed to the Forum development. The second source of the Forum’s strengths is the fact that, except Australia and New Zealand, members have similar backgrounds. All of them are relatively young nations, thus they have the same characteristics derived from this status, and they lack resources, skilled personnel, and except for some bigger states, have limited economic capabilities. The third source of its strengths is that members shared experiences before establishing or joining the Forum of frustration over the limited scope of the SPC, particularly its policy against discussing political issues. Thus, they were from the start committed to more effective cooperation in the Forum. The fourth source was all members (again except Australia and New Zealand) are independent and self-

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3. In the 1991 Forum meeting in Pohnpei, FSM, Prime Minister Hawke was unable to attend and sent Senator Gareth Evans, the Minister of Foreign Affairs and Trade, to lead the Australian delegations. Many Islanders argued that his absence was due to his attitude at the previous meeting in Port Vila in 1990 in which he was accused of dominating the Forum. That argument proved to be incorrect. He did not come to the Pohnpei meeting because he had something more important to attend to inside Australia, that was the challenge by his former treasurer, Paul Keating, to his Prime Ministrieship.
governing Pacific Island states. They have the same objective to make the Forum an organisation not dominated by their former colonial masters. The fifth source of its strength is the fact that the Forum is the only regional organisation in which member states have no land borders with each other, thus avoiding border conflict. The potential for significant conflict over borders in any regional organisation has been evident even in the dispersed Forum with arguments over the Solomon Islands - Papua New Guinea and Vanuatu - New Caledonia borders.

Whatever the Forum’s strengths, it cannot escape criticism: it did not, of course, meet all members’ expectations. These criticisms derived, in many cases, from academics, religious leaders and journalists. They claimed that the Forum has failed on some political and economic issues. The Rarotonga Treaty, for example, they see as a useless document because it cannot prevent nuclear states from testing their nuclear weapons, dumping their radioactive wastes, and nuclear or nuclear-powered ships moving in the waters defined by the treaty. But the Island states see it differently from academics, religious leaders and journalists. The above criticisms were made when considering the effectiveness of the treaty in the wider context of ‘world disarmament’, whereas the Island states see the treaty as the most acceptable position that could be adopted by all Forum members. With all of its weaknesses, the Forums countries are still proud of the treaty, and would certainly rather have it than no treaty at all. It was also a demonstration that as a regional organisation the Forum could negotiate a nuclear treaty, a move ahead of ASEAN which has not yet finalised a similar treaty for the Southeast Asian region since it was proposed in 1971.

Critics have also accused the Forum of failing to address some political issues in the region, particularly the Fiji military coups and the Bougainville crisis. The Forum has made statements on many problems outside the region, such as condemning the practice of apartheid in South Africa, expressing its concerns on Namibia’s transition to independence and the Western Sahara conflict, but - its critics claim - has neglected problems inside its own region. Critics have accused the Forum of not going far enough, or even not touching at all some issues such as the Bougainville crisis, the PNG-Indonesia border, and the East Timor issue. When asked to comment on what the Forum has done to tackle those issues, Reverend Puafitu Faalo of Tuvalu Christian Church, has a reservation. He said:

The Forum should do something more aggressively. It is the most sensible thing for the Forum, and it should try to work out together to find a better solution.... Just like nuclear testing, can the Forum say that it is French Polynesia’s problem? It is not. It involved general concerns of the region. [Those] issues could harm security in the
From the perspective of academics, church leaders and journalists who do not have to take into account some public aspects, then those criticisms might be justified. But, academics have based their comments on theoretical analysis, while journalists have had other considerations such as the popularity and commercial value of their reports, and the religious leaders have based their arguments mostly on moral justifications. The governments, by contrast have been involved in practical matters. They do some things which are safe for themselves, and they do not do things if they see that their national interests might be sacrificed. They go as far as they can, and still reach a consensus. Foreign Minister Evans has accused critics of 'not understanding how we in the government work it out'.

On the Bougainville crisis, the Forum members reached a consensus. They have regarded it as an internal matter for the PNG government, though it cannot be denied that it has spilled over to a neighbouring country - the Solomon Islands. All Forum members were of the view that PNG should solve its own problem and not the Forum. If there was a spill-over effect then it was a bilateral matter between the PNG and the Solomon Islands governments. There was no place for other members to interfere. Many Island leaders thought that interference would not help but might worsen the problem. The Forum countries believed that this was the most sensitive issue they have dealt with. Significantly, they believed that to put it on the Forum's agenda might reduce the spirit of cooperation which had been developed over many years. It was cooperation which they sought, not division and hostility. Senator Chris Schacht, chairman of the Sub Committee on Foreign Affairs, Trade and defence, commented:

The Forum can discuss issues such as the Fiji coups or Bougainville ONLY IF they wish to. I disagree with journalists' and academics' criticisms that the Forum should tackle those issues. They are internal affairs of those countries, and more importantly, the Forum has a consensus rule. [With that principle], the Island states can maintain their unity rather than addressing those issues with possible splits among themselves. Although the Forum leaders never touched those issues in the formal agenda, they informally discussed them.\(^5\)

Once, a Forum member proposed to put the PNG-Indonesia border issue on the Forum's agenda, and it was quickly rejected by the PNG government, saying it was an attempt to interfere in its domestic problems. A similar sequence occurred with the Forum's response to


\(^5\) Interview with Senator Chris Schacht, Chairman, Joint Committee on Foreign Affairs, Trade and Defence, Canberra, 14 September 1992.
the Fiji coups. A few days after the first coup, the annual Forum meeting was held in Apia. Mara was certainly not present at that meeting. Australia and New Zealand proposed the issue be discussed. Both countries argued that such an event was against normal democratic principles, and the Forum should do something. They proposed to send a Forum mission to Fiji to help restore the rule of law. Again, this was rejected by all Island members. The Island leaders saw it as an internal problem of Fiji, and the Forum should not be involved, except if there was a request from Fiji’s warring parties for help. All Island states reached that consensus, but Australia and New Zealand still wanted to go ahead. The mission to be led by Bob Hawke was later rejected by Fiji’s provisional government. Tom Davis of the Cook Islands accused Australia and New Zealand of not listening to the other Forum members.

In the South Pacific the consensus decision-making process is part of the ‘Pacific Way’ diplomacy. If a certain proposed resolution is not accepted by one of the Forum members, then it is not adopted as a Forum decision. Violation of this principle has nevertheless happened in the Forum when tough issues have appeared, such as the Rarotonga Treaty, in which Walter Lini confessed that Vanuatu was forced to endorse the Treaty formally in 1985 only to maintain solidarity among the Island states.

The consensus principle as well as that of not interfering with others’ internal affairs were in fact not new policies. Both had applied in other regional organisations such as ASEAN. ASEAN has also been regarded as a successful regional organisation, mostly in dealing with countries outside the region. Its dialogue system with industrialised countries, its indefatigable attempts to find a settlement on the Cambodian problem, its successful trade with outside countries are examples of this. Like the Forum, ASEAN does not deal with any issues which are regarded as internal affairs, such as East Timor, the US military bases in the Philippines, and the Thailand coups in 1992. Similarly, ASEAN’s trade among its member countries is not so encouraging compared to their trade with other nations.

On economic cooperation, the Forum’s major weakness has been the conflict between the Island states’ desire to retain their national identities and their desire to cooperate where cooperation requires a considerable commitment of natural resources and a surrendering of national interests. These opposing forces were apparent when the PFL and the regional airline were proposed. Both ventures required high capital, and would promote trade. As a result of members’ lack of serious commitment, the regional airline proposal was rejected at an early stage, whereas, on shipping, the company had to struggle hard but it did survive. On other
economic issues such as trade and fisheries, this conflict did not appear. Because they all have much the same relevant resources, they adopted the same position, particularly toward states outside the region. It was no wonder the proposal to establish the FFA and negotiations to conclude SPARTECA were not as hard as those on the PFL and a regional airline. It was for this reason also that cooperation in political fields was more successful and faced fewer obstacles than economic ones. On political issues, the Island states did not require capital, and were not required to surrender very much of their national interests. What they needed was the political commitment to address those issues.

2. The Roles of Australia and New Zealand

Australia’s and New Zealand’s participation in the Forum was not something that happened without deliberation by the Island states. On Fiji’s independence day Mara had said that he did not want other Island states seeing Fiji dominating the Forum. He suggested other Island leaders invite Australia and New Zealand to participate and host the first two meetings. Australia and New Zealand, in this sense, would effectively reduce rivalries and tensions between the Island states. The Islanders also invited Australia and New Zealand to join because they believed that those two countries could play an important role in the development of the Forum. The Island leaders saw the advantages of involving Australia and New Zealand, because they were the most advanced countries and more importantly the Islanders expected them to provide financial assistance, expertise, information and other material and non-material resources which the Island states did not have.

Those expectations have - more or less - been met over twenty years. Australia and New Zealand have played important roles in the development of the Forum as a regional organisation. One may say that without their participation, the forum would not exist as it is. All the Island leaders have acknowledged Australia’s and New Zealand’s contributions. In short, their participation in the Forum had been very positive.

Nevertheless, some negative impact from their involvement was inevitable. Accusations that they dominated the Forum were publicly expressed. As a senior official of the PNG’s Ministry of Foreign Affairs said in his observation on the Forum:

Australia and New Zealand, whilst it is acknowledged contribute significantly to the region, continue to play paternalistic roles. They show mockery to the integrity of the spirit of the Forum by their colonial ‘big brother’ attitude, pouring aid but avoiding the views of the Island countries that such aid is inappropriate, ineffective and is a
Is that accusation true? To answer this question, one should look at the whole process of their involvement in the region generally, and in the Forum specifically. This study cannot find sufficient evidence to support this accusation. Australia and, to a lesser extent, New Zealand clearly did not dominate everything at all times, and if there was some domination, that should be looked at case by case. They dominated the Forum only on certain occasions when they wanted to protect their own interests and more frequently on bilateral relations with particular members of the Forum. Areas in which Australia and New Zealand (sometimes) were dominant include: Australian and New Zealand (plus the US) counter-offer to the former Soviet Union's offer to conduct a geological and oceanographic survey and research programme in the South Pacific in 1981; Australia's concern at the fisheries treaties signed by Kiribati and Vanuatu with the Soviet Union in 1985 and 1987; Australian pressure and warning against the perceived risks to Vanuatu of developing stronger relations with Libya in 1987; the Australian stronger push in 1983 on the Rarotonga treaty proposal; Australia's and New Zealand's reaction to the Fiji coups; and most recently (on which the Island leaders most visibly and publicly voiced their differences), the support for America on the Johnston atoll issue. It is interesting that all these involved Australian perceptions of national security and/or its relationships with the super powers.

During the 1990 Forum meeting and more particularly on the Johnston atoll issue, Hawke's behaviour not only disappointed his colleagues but also contradicted Australia's foreign policy doctrine, the so-called 'constructive commitment', which regards the FICs as partners and not as little brothers. This policy entails maintaining and developing a partnership with Pacific Island countries and promotes regional stability through economic development and the encouragement of shared perceptions of strategic and security interests. According to *Australia's Foreign Relations*, published in 1991 and written jointly by Gareth Evans and Bruce Grant, this approach has a number of specific dimensions:

Promotion of close, confident and broadly based bilateral relations with all Pacific

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7. The Soviet's offer had actually been accepted by a CCOP/SOPAC technical meeting in Tarawa and the location of the programme was initially in the Solomon Island's and Vanuatu's waters.

Island countries; promotion of effective regional cooperation like the South Pacific Forum and other regional organisations like the South Pacific Commission; recognition that, for Pacific Island countries, security hinges on economic and social development, and offering assistance to achieve both; respect for the full sovereignty of all Pacific Island countries, in relation to their internal affairs. ... Partnership and mutual respect are central elements. Constructive commitment simply cannot involve any vestige of old colonialism or new hegemony. ... Constructive commitment requires consistency and patience, backed by demonstrable interest, adequate levels of resources, flexibility in formulation of policy and sensitivity in its implementation.

Hawke's stand on the Johnston atoll debate put this policy in question. Many heads of Forum governments expressed disappointment to the author about Hawke's attitude on the issue. More than that, he was criticised for dominating the Forum. Tom Davis accused Australia, and to a lesser extent New Zealand, of dominating the Forum meetings too often. As Davis said:

I saw the Forum was dominated by Australia and New Zealand. They were not only well prepared before the meetings, but they came well prepared to dominate. I could see during discussion, how they spent their times and how they influenced [us] on certain issues. We were usually quiet and Australia and New Zealand saw it as a symbol of an agreement. They were wrong, silence did not mean agreement.

When he was told that Australia and New Zealand might not deliberately dominate the Forum meetings, and such 'domination' might result from their good preparation, he responded:

They really came to the meeting to dominate us, that is my impression. The Australian and New Zealand delegates always spoke a lot and had strong ideas. I got the impression that Australia and New Zealand very often insisted on certain issues beyond the consensus rule, for example, on how the Forum faced Fiji's military coups.

Other Forum leaders such as Bikenibeu Paeniu, Tuvalu's Prime Minister, expressed a similar feeling. When asked to comment on the Forum's achievements, he answered:

The Forum has been very successful politically, especially as a regional and international organisation. I am satisfied with the Forum, but I do not like certain countries dominating it, for example Bob Hawke, in last year's Forum meeting in Vila. On issues like Johnston atoll and New Caledonia, he dominated the other leaders. On Johnston atoll, he pushed strongly to protect the US interests, and to a lesser extent the French interests.

Such criticism was rejected by the Canberra government. Hawke disagreed that he dominated

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11. Ibid.
and protected US interests. He said:

Of course they were wrong, and the best answer you have got is what has, in fact, happened with what Hawke said in 1990. Did my analysis prove in the event to be right? The answer is yes, and they went along with it. Simply I mean - there is no need for me to enter into some hypothetical intellectual debate about it - I mean I stated the facts clearly though emotionally as they were at that time, surrounded by a degree of emotion and prejudice which is never a substitute for intellectual reasoning or fact, and what happened since has totally confirmed the analysis that I gave.13

Hawke similarly disagreed that what he had done in 1990 was contrary to a 'constructive commitment in the South Pacific'. He wanted 'constructive commitment' to be seen not only in relation to his dominant role in the Vanuatu's Forum meeting, but to general government policies toward the South Pacific region. He attacked the author's remark on this contradiction and said:

You can talk about a constructive commitment if you value intellectual integrity. If you are talking about constructive commitment, where do you put my debate about Johnston atoll in relation to, for example, provision of patrol boats to enable them to sustain their fragile economic base? That is Australia's fundamental commitment in terms of constructive commitment. Where do you put in terms of constructive commitment ... SPARTECA which we want to ... improve their access to our market? Where do you put the provision of monitoring stations to ensure that they are best placed to look at the threat of radiation? That is constructive commitment.14

The Minister of Foreign Affairs and Trade, Gareth Evans, also denied inconsistency with the 'constructive commitment' policy. Evans explained that the constructive commitment policy should be interpreted as widely as possible. He said:

Constructive commitment recognises a sort of equality. Equality means adopting an attitude of not patronising the relationship. The relationship is equal, and that is how we conduct our diplomacy with anybody else. Of course [when] you conduct diplomacy in public you adjust according to the style of certain countries and peoples. The style is different but the contents should be the same.15

Nevertheless, Evans realised that the style adopted by Hawke was quite consistent. Hawke behaved exactly the same way as he did with other leaders in other international fora such as at the Commonwealth Heads of Government meetings or at the UN. He did not know why Hawke did not adjust his style when facing the Pacific Island leaders. But the Jonston atoll debate raised a tough issue which Australia had to face. Australia was very confident that the safety of the destruction process had been scientifically proved. Therefore, Australia, as the


14. Ibid.

15. Interview with Senator Gareth Evans, Minister of Foreign Affairs and Trade, Canberra, 10 August 1992.
most advanced country in the Forum, had a duty to explain this to the other leaders.

In general, Australia's and New Zealand's participation in the Forum has been very positive. The criticism should be regarded as a consequence of taking leading roles, rather than deliberate actions by the two countries. It could be expected that Australia and New Zealand would gain an image of dominating the Forum because they had played important roles in the development of the Forum, and had provided aid, information, experts and so on. Just by their size and previous roles as administrators, they were vulnerable to charges of controlling and manipulating debates, but during negotiations on the Johnston atoll issue and the Rarotonga Treaty there is some specific evidence.

3. The Forum's Roles in Attracting Foreign Aid

One great achievement of the Forum is its success in attracting foreign aid not only from Australia and New Zealand, but also from countries outside the region and other regional/international organisations. The successful method which the Forum countries developed was the establishment of specialised organisations or agencies under the Forum's framework such as the FFA. There were at least two advantages gained by the Forum states in this method, first, the important area of cooperation could be handled more seriously because of one agency specialising on a certain issue, and secondly, with those particular projects the Island states could attract more aid into the region.

The Forum's success in attracting aid would never have been realised if the other regional and international organisations or agencies had no strong desire to assist. Aid bodies belonging to industrial countries and international organisations have shown their long term commitment to provide funds for special projects to the South Pacific region channelled through specialised agencies such as the FFA, the PFL or directly through the Forum Secretariat. In addition, regional and international agencies have provided funds for projects administered by other regional organisations and agencies outside the Forum framework such as the SPC, SOPAC, the USP and the PIDP.

Table 5 shows donor countries, regional and international organisations and agencies and major projects assisted. Apart from funding specialised projects, donors also provided funds for other purposes such as salaries for experts working on certain projects, feasibility studies, and conferences.
The Forum's cooperation with those organisations or agencies has been successful. But it should be noted that those organisations or agencies have assisted the Islanders because the Islanders wanted and asked for help. Through the annual Forum meeting, the Island leaders deliberately discussed major issues such as how to cooperate with other international/regional organisations. The Forum communiques over twenty years have shown this.

Because of so much aid flowing to the region, one might say that the Forum and its offshoots, may not able to survive without the continuing commitment of the donors to provide at least the same degree of support. The Forum and its sub-agencies are very heavily dependent on those donors. There is another factor: the Forum might be in a difficult situation if for example one or some of those donors (organisation or industrial countries) have internal problems which may affect their future policies toward the region. The ideal way to avoid such a difficulty is to make the Forum more able to stand on its own feet, but this is of course impossible given the poverty of the Island states. There is then no other choice, but to accept this reality. Thus, their expectation that the Forum and its offshoots would be organisations controlled by the Islanders is met, but only at the level of the decision-making process. Financially they have been heavily dependent on countries or agencies outside the region. In short, as more projects have been created by the new regional agencies, in fact the Island states have become more dependent financially on outside countries or agencies. This is the situation that the Island states cannot escape in the near future.

The Forum is an interesting example of regional cooperation in which none of its members is interested in having political integration as the final goal as suggested by the functionalists. The Forum leaders have always tried to avoid strategies and issues that threatened members' national sovereignty. The Forum leaders have never wasted their time and energy on the rhetoric of integration, instead they have pursued cooperation among members.

Cooperation in the Forum framework is not limited to functional areas as functionalists claim, but is extended to other areas where cooperation is thought desirable. The Forum's efforts in handling decolonisation, nuclear and environmental issues are good examples of this.

Examination of the Forum's degree of success on major political and economic issues
has shown that its member countries are very strong and united in dealing with countries outside the region, but weak when confronting some of its members' problems - such as its avoidance of the Bougainville crisis.

During the first twenty years the South Pacific Forum has met most of the original and increased expectations of the Forum Island leaders. The Forum's success in handling major political and economic issues has made its continuing existence unquestionable. It has contributed much not only to the development of the Island states but also to the world at large. The South Pacific Forum has become an example of regional cooperation in which the member countries have worked effectively without adopting some established approaches to regional organisations which have been taken as models by regional organisations elsewhere in the world. It has shown that the 'Pacific Way' can be more than rhetoric.
APPENDIX A

LIST OF INTERVIEWEES, RESPONDENTS AND THEIR AFFILIATIONS

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1. GOVERNMENT OFFICIALS (former and present):

AUSTRALIA, January-September 1992:

1. Head of Government:
   Robert J. Hawke, Prime Minister (1983-1991)

2. Ministers:
   Andrew S. Peacock, Senator, Minister for Foreign Affairs (1975-1980)
   Gareth Evans, Senator, Minister for Foreign Affairs and Trade (1989- )

3. Other High-ranking Officials:
   John Trotter, Special Advisor,
   Department of Foreign Affairs and Trade; from August 1991 Australian
   Ambassador to Fiji and Australia's Permanent Representative to the Forum
   Secretariat
   Tony Godfrey-Smith, Director,
   Multilateral South Pacific, Department of Foreign Affairs and Trade
   Steve Hill, Trade Officer, Department of Foreign Affairs and Trade

4. Member of Parliament:
   Chris Schacht, Senator, Chairman,
   Joint Committee for Foreign Affairs, Defence and Trade

Cook Islands, (Rarotonga), 23 - 27 October 1991

1. Head/ Deputy Head of Government:
   Inatio Akaruru, Deputy Prime Minister and Minister of Foreign Affairs
   Thomas Davis, Dr., Prime Minister (1980-1987) and the Premier (1978-1980)

2. Ministers:
   Ngereteina Puna, Minister of Education, also former Minister of Civil Aviation
   Tekaoitiki Matapo, Minister Responsible of Justice, Lands and Survey, Youth and
   Sports, and Information Sevices; also Acting Minister of Civil Aviation

3. Other High-ranking Officials:
   Aukino Tairea, Secretary,
   Ministry of Foreign Affairs
   Julian Dashwood, Former Secretary,
   Ministry of Marine Resources; from October 1991 became Fisheries
   Coordinator in the South Pacific Commission
   Kelvin Passfield, Fisheries Research Officer,
   Ministry of Marine Resources
   Patricia Tuara, Senior Fisheries Management Officer
   Ministry of Marine Resources
   Ned A. Howard, Acting Secretary,
   Ministry of Marine Resources
   Puko Chapman, Staff,
   Pacific Section, Ministry of Foreign Affairs
Federated States of Micronesia (FSM), Palikir, 3-8 October 1991

1. Head/Deputy Head of Government:
   Jacob Nena, Vice President,
   Also former Governor of Kosrae and former Senator
   John R. Haglelgam, President (1985-1991)
   Now Professor of Politics in the Micronesian Community College

2. Ministers (Secretaries):
   Asterio Takesy, Secretary for External Affairs,
   Department of External Affairs
   Robert J. Weilbacher, Secretary
   Department of Transportation and Communications

3. Other High-ranking Officials:
   Bumio T. Silbanuz, Administrator,
   Commerce and Industry, Department of Resources and Development
   Iromy K. Rosokow, Tourism Officer,
   Department of Resources and Development
   Matthias J. Ewarmai, Senior Officer,
   Sea Transportation System Development, Department of Transportation and Communications
   Tadao P. Sigrah, Deputy Chief,
   South Pacific Affairs, Department of External Affairs
   Waynold K. Yamaguchi, Manager, Air Carrier Branch,
   Department of Transportation and Communications
   Weiner H. Hadley, Administrator,
   Division of Marine and Communication Affairs,
   Department of Transportation and Communications
   William Ladone, Business Development Officer,
   Division of Commerce and Industry,
   Department of Resources and Development


High-ranking Officials:
   Devendran Kumaran, Director of Energy,
   Ministry of Tourism, Civil Aviation and Energy
French Polynesia, (Papeete), 18 - 23 October 1991

High-ranking Officials:
Alexandre M. Ata, Special Adviser for Foreign Affairs
Office of the President
Jean Juventin, the Mayor of Papeete,
Also the President of Te Nunaa Ia Ora Party
Vaitiare Chanfour, Deputy Chief of Cabinet,
Office of the President
Vetea Bambridge, Secretary General,
Territorial Assembly (Parliament)

Kiribati (Republic of), Tarawa, 14-19 and 26-28 September 1991

1. Heads of Government:
   Ieremia Tabai, President of Kiribati (1979-1991),
   also Minister of Environment and Natural resources Development (1991), and
   new Secretary General of the Forum Secretariat in Suva (1992-)
   Teatao Teannaki, President (1991-)

2. Ministers:
   Taomati Iuta, Minister of Finance and Economic Planning, and former Minister of
   Environment and Natural Resources Development, also the Vice President
   Teatao Teannaki, Minister of Foreign Affairs and International Trade

3. Other High-ranking Officials:
   Baraniko Baaro, Permanent Secretary,
   Ministry of Home Affairs and Rural Development
   Kaburoro Ruaia, Assistant Secretary
   Ministry of Foreign Affairs and International Trade
   Makurita Baaro, Secretary,
   Ministry of Foreign Affairs and International Trade
   Peter Timeon, Secretary to the Cabinet,
   Also former Secretary of Foreign Affairs
Ruby Tenano, Civil Civiation Adviser,
Ministry of Transport and Communication
Rutete Ioteba, Energy Planner,
Ministry of Works and Energy
Tekeu Tokataaki, Secretary,
Ministry of Transport and Telecommunication
Tenanora Tekanene, Senior Trade Officer,
Ministry of Commerce, Industry and Employment

Marshall Islands (Republic of), Majuro, 29 September - 4 October 1991

High-ranking Officials:
Denny Wase, Director,
Marshall Islands Marine Resources Authority
Donald Capelle, Secretary,
Ministry of Resources and Development
Gordon C. Benjamin, Chief Officer,
Division of Labor, Trade, Industry and Tourism (Ministry of Resources and Development)
Thomas Kijiner, Jr., Acting Secretary,
Ministry of Foreign Affairs

Nauru (Republic of), 19-26 September 1991

1. Head of Government:
Hammer DeRoburt, President of Nauru (1968-76 and 1978-1988) Also Head Chief,
Nauru Local Government Council (1955-1992)

2. High-ranking Officials:
Antares Eparam, Assistant General Manager,
Nauru Pacific Lines
Barry Craston, Director of Civil Aviation,
Department of Island Development and Industry
Pinakee Singharoy, Senior Accountant,
Department of Finance

New Caledonia (Noumea and Burail), 16-28 August 1991

High-ranking Officials, Party Leaders, and members of the Territorial Assembly:
François Burck, President
Mouvement Union Caledonienne, also member of the Congress
Jacques Tékawé, Deputy High Commissioner,
Préfet Delegue pour la cooperation regionale et le developpement economique, also member of RPCR
Pierre Frogier, Secretary General RPCR,
Also member of Congress and Maire du Mont-Dore
Rock Wamytan, Vice-President of the Congress,
Also Deputy President FLNKS (Mouvement Union Caledonienne)
Wassissi lopoue, Director,
Information Department, Agence de Developpement de la Culture Kanak,
also member of FLNKS (Palika)

1. Heads of Government:
   David Lange, MP., Prime Minister (1981-1989), now member of Parliament
   Geoffrey Palmer, Prime Minister (1989-1991), now Professor of Law, Victoria
   University, Wellington
   Robert Muldoon, Prime Minister (1975-1981)
2. Ministers:
   Brian E. Talboys, Minister of Foreign Affairs (1975-1981)
   Russell Marshall, Minister of External Relations and Trade (1987-1990)
   Warren Cooper, Minister of Defence, (1991-)
       also former Minister of Foreign Affairs and Minister of Overseas Trade
       (1981-1984)
3. High-ranking Officials:
   Gordon Shroff, Director,
       South Pacific Division, Ministry of External Relations and Trade
   René Wilson, Deputy Director,
       South Pacific Division, Ministry of External Relations and Trade, also former
       Deputy Director SPEC (1988-1990)

PAPUA NEW GUINEA, (Port Moresby), 9 - 27 June 1991
1. Minister:
   Parry Zeipi, MP., former Minister of Environment,
   now member of Parliament
2. High-ranking Officials:
   Brian Amini, Permanent Secretary,
       Department of Transport; former PNG Ambassador to Indonesia
   Joseph B. Maras, Colonel, Chief of Plans,
       PNG Defence Force, (former PNG Defence Attache, Jakarta)
   Dennis Renton, Director General,
       Bilateral Division, Department of Foreign Affairs
   John Painap, Assistant Secretary (Economic Policy),
       Department of Prime Minister
   Leonard Rodwell, Assistant Secretary,
       Department of Fisheries and Marine Resources.
Maimu Raka’nau, Deputy Permanent Secretary,
Department of Foreign Affairs, (former PNG Ambassador to Fiji)
Robert Igara, Permanent Secretary,
Department of Trade and Industry
Sebulon Kulu, Director General,
Imigration and Citizenship, Department of Foreign Affairs (Former PNG Ambassador to Indonesia)
Tarci Eri, Director,
Pacific Branch, Department of Foreign Affairs

SOLOMON ISLANDS, (Honiara), 4 - 9 August 1991
1. Heads of Government:
   Peter Keniloria, Prime Minister (1978-1981 and 1985-1986),
   From 1992 became the Director of Forum Fisheries Agency
2. Minister:
   Peter Keniloria, Minister for Foreign Affairs
3. High-ranking Officials:
   Alber Wata, Director,
   Fisheries Division, Ministry of Natural Resources
   Joseph Harold, Under Secretary,
   Ministry of Commerce and Primary Industry
   Wilson Efunaoa, Secretary,
   Ministry of Foreign Affairs and Trade
   Paul Daokalia, Special Secretary to the Prime Minister, Office of the Prime Minister
   Robert Sisilo, Chief of Pacific,
   Ministry of Foreign Affairs and Trade Relations
   Sei Tongarutu, Director of Trade,
   Ministry of Foreign Affairs and Trade Relations

Tonga (the Kingdom of), Nuku’alofa, 29 October-8 November 1991
High-ranking Officials:
   ’Akosita Fineanganofo, Acting Secretary,
   Ministry of Foreign Affairs
   Sione Faletau, Assistant Secretary,
   Ministry of Civil Aviation
   Sione Kite, Deputy Chief Secretary & Deputy Secretary to Cabinet,
   Office of the Prime Minister
   Sione T. Panuve, Deputy General Manager,
   Tonga Telecommunication Commission
   Sitafooti ’Aho, Acting Director,
   Ministry of Civil Aviation
Taniela H. Tufui, Chief Secretary and Secretary to Cabinet,
Office of the Prime Minister
'Ulunga Fa’anunu, Deputy Director,
Ministry of Fisheries

Tuvalu, Funafuti, 10-14 September 1991
1. Head of Government:
   Bikenibeu Paeniu, Prime Minister
   Also Minister of Foreign Affairs and Economic Planning
2. Minister:
   Tomu Sione, Minister of Natural Resources and Home Affairs
3. High-ranking Officials:
   Enele S. Sopoaga, Permanent Secretary,
   Ministry of Foreign Affairs
   Eseta Lauti, reporter,
   Radio Tuvalu, Broadcasting and Information Office
   Panapusi Nelesone, Permanent Secretary,
   Ministry of Finance and Commerce
   Robert T. Dei, Civil Aviation Adviser,
   Ministry of Works, Labor and Communication
   Sautia Maluofenua, Director of Fisheries,
   Ministry of Natural Resources and Development
   Seve Paeniu, Director,
   Economic Planning and Services, Ministry of Foreign Affairs and Economic Planning
   Sio Patiale, Transport Manager,
   Ministry of Labor, Works and Communication

Vanuatu (Republic of), (Port Vila), 9 - 16 August 1991
1. Head of Government:
   Walter Hidye Lini, Prime Minister (1980-1991)
2. Ministers:
   Andrew Welwel, Minister of Agriculture
   Edward Natapei, Minister of Foreign Affairs and External Trade
3. High-ranking Officials and Party leaders:
   Barrack Sope, Leader
   Melanesian Progressive Party (formerly Secretary General of Vanu’aku Party/
   also formerly Deputy Prime Minister
   Douglas Malosu, First Secretary,
   Ephraim Kalsakan, Director,
   National Union of Labor (National Union Blong ol Leba)
Jean K.L. Sese, Assistant Secretary, Economic Cooperation, Department of Foreign Affairs and External Trade
Joe Natuman, First Secretary, Prime Minister's Office
Joseph Jacobe, Deputy President, Tan Union Pati, also member of Parliament
Robert Karia, Minister of Commerce, Cooperatives, Industry, and Rural Business Development

4. Members of Parliament:
   Hilda Lini, Member of Parliament, Also Coordinator of Nuclear Free and Independent Pacific Region II Conference.
   Lino Pole Saksak, Secretary General, Parliament Secretariat
   Vincent Boulekon, Opposition Leader, (also President of Tan Union Pati)

Western Samoa, Apia, 8 - 14 November 1991
1. Head of Government:
   Tofilau Eti Alesana, Prime Minister

2. Minister:
   Fiame Naomi Mata’afa, Minister of Education, Youth, Sports, and Culture

3. High-ranking Officials:
   Mose Sua, Secretary, Ministry of Foreign Affairs
   Nofo Vaaelu, Secretary, Ministry of Transport
   Ueta Fa’asili, Chief Fisheries, Ministry of Agriculture, Forestry and Fisheries

II. HEADS OF REGIONAL/ INTERNATIONAL ORGANISATIONS:

1. International Civil Aviation Organisation, South Pacific Office, Nadi:
   Neville F. Ivey, Human Resources Consultant,

2. Pacific Economic Cooperation Conference (PECC), Wellington:
   Brian Talboys, Secretary General

3. Pacific Islands Development Programme (PIDP), East-West Center, Honolulu:
   Sitiveni Halapua, Dr., Director

5. South Pacific Applied GeoScience Commission (SOPAC), Suva:
   Jioji Kotabalavu, Director,

6. South Pacific Commission (SPC), Noumea:
   Atanraoi Baiteke, Secretary General,
   Vaasatia Poloma Komiti, Deputy Director of Programmes,
7. South Pacific Forum Fisheries Agency (FFA), Honiara:
   D.A. Philipp Muller, Director,
   David Doulman, Dr., Deputy Director,

8. South Pacific Forum Secretariat, Suva:
   Chris K. Rupen, Director, Maritime Division,
   Dennis Miller, Acting Director, Trade and Investment Division,
   Eric Willsmore, Director, Finance Division,
   Esekia Marvi, Deputy Secretary General,
   Garry Wiseman, Director, Economic Development Devision
   George Vae'au, Director, Civil Aviation Division
   Henry F. Naisali, Secretary General
   John Budden, Director, Telecommunication Division
   Mike Lawrence, Manager, Regional Petroleum Unit
   Paul L. Fairbaim, Head, Energy Division

9. South Pacific Forum Line (SPFL), Auckland:
    W. J. MacLennan, General Manager/ Chief Executive,

11. South Pacific Regional Environment Programme (SPREP), Noumea:
   Neva Wendt, Team Leader, National Environmental Management Strategies,

12. South Pacific Trade Office, Auckland:
    Steve Houlihan, Director,

13. United Nations Development Programme (UNDP), Suva:
    Pat Duggan, Professional Officer,

III. PROFESSIONALS OF NON-GOVERNMENTAL ORGANISATIONS:
1. Scholars/ Academics:
   Asesela Ravuvu, Dr., Director,
      Institute of Pacific Studies, University of South Pacific, Suva
   Florian Gubon, Senior Lecturer,
      Marine Resources Management Programme, USP
   Geoffrey K. Caston, Vice-Chancellor,
      University of the South Pacific, Suva
   Malama Meleisea, Dr., Director,
      McMillan Brown Centre for Pacific Studies, University of Canterbury
      Christchurch, New Zealand
   Marjorie Crocombe, Director,
      Centre for Pacific Studies, Auckland University
   Michael Kioni Dudley, Dr., Professor of Hawaiian Religion, also Sovereignty
      Movement activist, Honolulu, USA
   Robert C. Kiste, Professor, Director,
      Center for Pacific Island Studies, University of Hawaii, Honolulu
   Roderick Alley, Dr., Senior Lecturer,
      Department of Political Science, Victoria University, Wellington
   Steve Hoadley, Associate Professor,
      Department of Political Science, University of Auckland
S. Na’a Fiefia, Director,
University of South Pacific Extension Centre, Tonga
Terrence Wesley-Smith, Dr., Assistance Professor,
Center for Pacific Islands Studies, University of Hawaii
Uentabo Neemia, Lecturer,
Institute of Pacific Studies, USP, Suva

2. Journalists/ Reporters/ Editors/ Columnists/ other writers:
   Anna Solomon, Editor,
   Times of Papua New Guinea, Port Moresby
   Bengt Danielsson, Anthropologist and Historian,
   Papeete, French Polynesia
   Bob Makin, Director of Media Services,
   Vanuatu Weekly & Radio Vanuatu
   Frank Singe, Senior Reporter,
   Post-Courier, Port Moresby
   Hendrik Kettner, Technical Coordinator,
   Pacific Islands Broadcasting Association, Port Vila
   John Akerauara, Reporter,
   Cook Islands Broadcasting Corporation
   Olivier Beligon, Journalist,
   Les Nouvelles Caledoniennes, Noumea
   Papa E. Mana, Managing Director,
   Cook Islands Broadcasting Corporation
   Wolfgang Holler, Project Coordinator,
   Pacific Broadcasting Training and Development, Port Vila

3. Diplomats:
   Basil J. Teasey, High Commissioner,
   Australian High Commission, Apia
   Bruce Shepherd, Third Secretary,
   New Zealand High Commission, Nuku’alofa
   Claude Maynot, Ambassador,
   French Embassy, Port Moresby
   David W. Panuelo, Deputy Head of Mission,
   Embassy of the Federated States of Micronesia, Suva
   Ed Peck, Director,
   Development Assistance, Australian High Commission, Port Vila
   Graham Nickolls, Counselor,
   Development Assistance, Australian Embassy, Suva
   Henry Jacolin, Ambassador,
   French Embassy, Suva
   Howard Brown, High Commissioner,
   Australian High Commission, Nuku’alofa
   James Pearson, First Secretary,
   Australian High Commission, Port Vila
4. Religious Leaders:

Enja Enos, Pastor,
   Rita Protestant Church, Majuro
Faatoese T. Auva’a, Rev., General Secretary,
   Methodist Church in Samoa, Apia
Gagoa Gaigo, O.B.E., Rev., Bishop,
   United Church in Papua New Guinea and Solomon Islands, Port Moresby.
James Aingimea, Pastor,
   Nauru Congregational Church, Nauru
Johnny Hadley, Senior Pastor,
   Protestant Church, Pohnpei, FSM
Koae Taburimai, Rev., Moderator,
   Kiribati Protestant Church, Tarawa
Morikao Kaua, Rev., President,
   Tuvalu Christian Church, Funafuti
Patelisio P. Finau, Bishop,
   Catholic Diocese of Tonga, Nuku’alofa
Paul Mea (His Lordship), Bishop,
   Kiribati Catholic Church, Tarawa
Puafitu Faaalo, Rev., Pastor,
   Tuvalu Christian Church, Funafuti
Simon Bourke (Father), Chancellor,
   Catholic Church of Samoa, Apia
Sione A. Havea, President,
   Free Wesleyan Church of Tonga
Tom Tali, Pastor
   Presbyterian Church, Port Vila

5. Others:

Bunny McDiarmid, Coordinator,
   Pacific Campaign, Greenpeace New Zealand, Auckland
Geoffrey L. Cundle, General Manager,
   Steamships Shipping & Transport, Port Moresby
Hori Ainu’n, Deputy General Manager,
   Western Samoa Shipping Corporation, Apia
Jackie Morris, Ordinary Citizen, Papeete
Joe Hiram, Acting General manager,
   Nauru Phospate Corporation, Nauru
Patrick Djiram, President,
    L’Association Indonesienne de Nouvelle Caledonie

Peter G. Crane, Acting Chairman,
    Nuclear Claim Tribunal, Majuro

W.A. Lussick, President,
    Port Moresby Chamber of Commerce and Industry
APPENDIX B

ORGANISATIONAL STRUCTURE OF SPEC (1972-1988)
AND THE FORUM SECRETARIAT (1988- )
ORGANISATIONAL CHART OF SPEC IN 1973

Director

Deputy Director

Research Staff

Research Staff

Research Staff
APPENDIX C

TREATIES, AGREEMENTS, CONVENTIONS, AND MEMORANDUMS OF UNDERSTANDING

(There is no single document formalising the establishment of the South Pacific Forum. Except document No. 4 which was produced jointly with the South Pacific Commission, the various documents below are the products of the South Pacific Forum and its related agencies. They are gathered here, first, to show the concrete evidence of the Forum's achievements in the twenty-year period, and secondly, to provide a convenient collection for other scholars).


APPENDIX C.1

AGREEMENT ESTABLISHING THE SOUTH PACIFIC BUREAU FOR ECONOMIC COOPERATION (SPEC, 1973)
AGREEMENT ESTABLISHING THE SOUTH PACIFIC BUREAU FOR ECONOMIC CO-OPERATION

The Governments of Australia, the Cook Islands, Fiji, Nauru, New Zealand, Tonga and Western Samoa, together comprising the founding members of the South Pacific Forum,

Recognising the need for increased co-operation in matters relating to trade and economic development in the South Pacific region,

Desiring to identify opportunities for the removal of barriers to trade between states within the region and also between those states and states outside the region and for the modification of current trade patterns,

Desiring also that consideration should be given to the possibility of establishing a free trade area for the South Pacific region,

Noting that the collection and dissemination of information and the preparation of reports and studies will be essential to facilitate these ends,

Concerned to ensure co-ordination of studies relating to transport services within the region,

Concerned also to obtain advice and assistance in the operation of regional trade and tourism promotion services,

Convinced of the need to work towards co-operation and co-ordination in the planning and siting of new industries and development projects within the region,

Concerned that all these activities should, wherever possible, be undertaken in co-ordination with the work of other international and regional organisations,

Have agreed as follows:—

ARTICLE 1

Establishment of the South Pacific Bureau for Economic Co-operation

1. There is hereby established the South Pacific Bureau for Economic Co-operation (hereinafter called the "Bureau").
2. The Bureau shall be located in Suva and shall operate in accordance with the provisions of the Agreement.

ARTICLE II

Organisation

The Bureau shall have an executive board to be known as the South Pacific
Committee for Economic Co-operation (hereinafter called "the Committee") and a Secretariat (hereinafter call "the Secretariat").

ARTICLE III
Purpose

The purpose of the Bureau is to facilitate continuing co-operation and consultation between members on trade, economic development, transport, tourism and other related matters.

ARTICLE IV
Membership

1. The Governments of Australia, the Cook Islands, Fiji, Nauru, New Zealand, Tonga and Western Samoa shall be entitled to membership of the Bureau and shall become members by signing this Agreement pursuant to Article XI.

2. Other Governments may be admitted to membership of the Bureau in accordance with Article XI.

ARTICLE V
The Committee

1. The Committee shall be composed of one representative of each of the members of the Bureau.

2. The Committee shall have the following powers and functions:—
   (a) to consult with the Director in the preparation of the annual budget for submission to the Forum;
   (b) to recommend to the Forum amendments to the Annex to this Agreement;
   (c) to approve the annual or interim report of the Director on the operation of the Bureau and transmit such report to the member governments;
   (d) to make recommendations to the member governments;
   (e) to lay down staff establishment and salary scales;
   (f) to give general directions to the Bureau.

3. The Committee shall appoint a Chairman at its first and subsequent annual meetings who shall remain in office until the next annual meeting.

4. The Chairmanship shall rotate annually as decided by the Committee.

5. The Committee shall hold a meeting at least once in each calendar year and shall meet prior to meetings of the Forum.

6. The Director, in consultation with and at the request of the Chairman, shall convene meetings of the Committee.

7. Each representative on the Committee shall have one vote. All matters shall be decided by a majority of the representatives present and voting.

8. The Committee shall establish its own rules or procedure.
ARTICLE VI
Secretariat

The Secretariat of the Bureau shall consist of a Director and Deputy Director and such further staff as may be appointed by the Director in accordance with the establishment and salary scales laid down by the Committee.

ARTICLE VII
Appointment of Director

1. The Director shall be appointed by the Forum for a term of three years under such conditions as the Committee may determine.
2. The Director shall be eligible for reappointment. His appointment shall not, however, exceed two consecutive terms.
3. The channel of communication of the Director with member governments shall be through their respective Ministries of Foreign Affairs.

ARTICLE VII
Functions of the Secretariat

1. Subject to the direction of the Committee, the Secretariat may —
   (a) prepare studies in order to identify opportunities for a modification of present trade patterns in the South Pacific region, and between the region and other countries, having in mind the objectives of regional trade expansion;
   (b) carry out necessary investigations in connection with development of free trade among the Island members of the Bureau;
   (c) prepare studies of the development plans and policies of member governments in an effort to promote co-operation in the region; and investigate the scope for regional development planning aimed among other things at a rationalisation of manufacturing and processing industries and the achievement of economies of scale in certain regional enterprises;
   (d) establish an advisory service on sources of technical assistance, aid and investment finance, both official and private, that are available to members;
   (e) undertake studies of regional transport, as necessary, and help co-ordinate action, both government and private, in this sector;
   (f) advise and assist member governments with the operation of a regional trade and tourist promotion service;
   (g) provide a means of regular and rapid consultation among the Islands on the region's import requirements to enable the bulk ordering of essential imports by official agencies;
   (h) act as a clearing house for information on trade, production and economic development in the region and in areas outside the region which are of interest to members;
   (i) carry out research and statistical studies on production and trade on a continuing basis as requested by the Committee;
   (j) prepare reports, studies and working papers;
(k) establish means for the collection, dissemination and exchange of information and statistics;
(l) co-operate with member governments in research projects and the obtaining and collating of statistics and other information;
(m) co-operate and co-ordinate its work with that of other international and regional organisations;
(n) undertake such other activities as the Committee may from time to time consider necessary for the attainment of the Bureau's purpose.

In addition to the powers conferred expressly by this Article, the Secretariat shall exercise any powers delegated to it by the Committee.

ARTICLE IX

Budget

1. The annual budget of the Bureau shall be prepared by the Director and approved by the Forum on the recommendation of the Committee.
2. The costs of operating the Bureau shall be borne by the member governments in the shares set out in the Annex to this Agreement, subject to review from time to time.
3. In advance of the Forum’s approval of the budget recommended by the Committee, the Bureau shall be entitled to incur expenditure up to a limit not exceeding two-thirds of the previous year’s approved budgetary expenditure.

ARTICLE X

Legal Status, Privileges and Immunities

1. The Bureau shall enjoy the legal capacity of a body corporate in the territories of member governments.
2. The Bureau shall have immunity from suit and legal process and its premises, archives and property shall be inviolable.
3. The Bureau shall be exempt from taxes, other than such as represent charges for specific services rendered. It shall also be exempt from taxes, duties and other levies, other than charges for specific services rendered, on the importation of goods imported for its official use.
4. The Bureau shall be free of prohibition on importation or exportation of goods imported or exported for its official use.
5. The Director and staff of the Bureau shall be entitled to immunity from suit and legal process in respect of things done or omitted to be done in the course of the performance of their official duties.
6. The Director shall be accorded the same exemption from taxes, duties and other levies as is accorded to a diplomatic agent.
7. All officers of the Bureau who are not nationals of Fiji shall be accorded exemption from taxes in respect of salaries received from the Bureau. They shall also be accorded exemption from taxes on the importation of furniture and effects at the time of first taking up post.
8. Representatives attending meetings of the Committee shall be accorded immunity from suit and legal process and their official documents shall be inviolable.
ARTICLE XI

Signature, Accession, Entry into Force and Withdrawal

1. This Agreement shall be open for signature by the Governments of Australia, the Cook Islands, Fiji, Nauru, New Zealand, Tonga and Western Samoa.

2. The signature of a member government shall not be taken as extending the rights and obligations set forth in this Agreement to the territories for whose international relations the member government is responsible.

3. This Agreement shall enter into force one month from the day on which it has been signed by the last to sign of the seven member governments referred to in paragraph 1 of this Article.

4. Other governments may, with the approval of the Forum, accede to this Agreement.

5. For governments admitted to membership in the Bureau in accordance with paragraph 4 of this Article, the Agreement shall enter into force on the date of deposit with the depositary Government of an instrument of accession.

6. The depositary Government shall inform member governments of the entry into force of this Agreement pursuant to this Article.

7. The original of this Agreement shall be deposited with the Government of Fiji which shall transmit certified copies thereof to all member governments and shall register the Agreement with the Secretary-General of the United Nations.

8. Any member government may denounce this Agreement by notification addressed to the depositary Government and such denunciation shall take effect one year after the day upon which the depositary Government has received the notification.

ARTICLE XII

The Forum

For the purposes of this Agreement, the Forum means the Governments of Australia, the Cook Islands, Fiji, Nauru, New Zealand, Tonga and Western Samoa and such other Governments as may be admitted to the Forum with the approval of the Forum.

ARTICLE XIII

Amendments

1. This Agreement may be amended at any time by the unanimous agreement of all member governments. The text of any amendment proposed by a member government shall be submitted to the depositary Government which shall transmit it to member governments.

2. If three or more member governments request a meeting to discuss the proposed amendment, the depositary Government shall call such a meeting.

3. If all member governments agree to an amendment, it shall then be open for ratification.
AGREEMENT ESTABLISHING THE SOUTH PACIFIC FORUM
SECRETARIAT (amendment of SPEC Agreement, 1991)
The Governments of Australia, the Cook Islands, Fiji, Nauru, New Zealand, Tonga and Western Samoa, comprising the founding members of the South Pacific Forum, together with the Governments of the Federated States of Micronesia, Kiribati, Niue, Papua New Guinea, the Republic of the Marshall Islands, Solomon Islands, Tuvalu and Vanuatu.

Recognising the need for increased co-operation in matters relating to trade and economic development in the South Pacific region,

Desiring to identify opportunities for the removal of barriers to trade between states within the region and also between those states and states outside the region and for the modification of current trade patterns,

Desiring also that consideration should be given to the possibility of establishing a free trade area for the South Pacific region,

Noting that the collection and dissemination of information and the preparation of reports and studies will be essential to facilitate these ends,

Concerned to ensure co-ordination of studies relating to transport services within the region,

Concerned also to obtain advice and assistance in the operation of regional trade and tourism promotion services,

Convinced of the need to work towards co-operation and co-ordination in the planning and siting of new industries and development projects within the region,
Concerned that all these activities should, wherever possible, be undertaken in co-ordination with the work of other international and regional organisations,

Concerned also to ensure the effective co-ordination of economic, political and security matters which are of importance to the region, and

Having become members of the South Pacific Bureau for Economic Cooperation,

Have agreed as follows:

**ARTICLE I**

The South Pacific Forum

For the purposes of this Agreement, the South Pacific Forum (hereinafter called "the Forum") comprises the Heads of Government of Australia, the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, New Zealand, Niue, Papua New Guinea, the Republic of the Marshall Islands, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa and such other Heads of Government as may be admitted to the Forum with the approval of the Forum.

**ARTICLE II**

Establishment of the South Pacific Forum Secretariat

1. There is hereby established the South Pacific Forum Secretariat (hereinafter called "the Secretariat").
2. The Secretariat shall be located in Suva and shall operate in accordance with the provisions of this Agreement.

ARTICLE III
Purpose

The purpose of the Secretariat is to facilitate, develop and maintain cooperation and consultation between member governments on economic development, trade, transport, tourism, energy, telecommunications, legal, political, security and such other matters as the Forum may direct.

ARTICLE IV
Membership

1. The Governments of Australia, the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, New Zealand, Niue, Papua New Guinea, the Republic of the Marshall Islands, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa shall be entitled to membership of the Secretariat and shall become members pursuant to Article XII.

2. Other Governments may be admitted to membership of the Secretariat in accordance with Article XII.

ARTICLE V
South Pacific Forum Officials Committee

1. The Secretariat shall have an Executive Committee to be known as the South Pacific Forum Officials Committee (hereinafter called "the Committee").
2. The Committee shall be composed of one representative of each of the members of the Secretariat.

3. The powers and functions of the Committee shall be to give general policy directions to the Secretary General and to make reports and recommendations to the Forum. In particular the Committee shall:

   (a) approve, reject or amend the annual budget estimates and any interim budget submitted by the Secretary General;

   (b) receive, examine and comment on the Annual Report of the Secretary General on the operation of the Secretariat; and

   (c) lay down staff establishment, salary policy and scales.

4. The Committee shall appoint a Chairman at its first and subsequent annual meetings who shall remain in office until the next annual meeting.

5. The Chairmanship shall rotate annually as decided by the Committee.

6. The Committee shall hold a meeting at least once in each calendar year and shall meet prior to meetings of the Forum.

7. The Secretary General, in consultation with and at the request of the Chairman, shall convene meetings of the Committee.
8. All matters shall be decided wherever possible by consensus or if necessary by a majority of the representatives present and voting. Each representative on the Committee shall have one vote.

9. The Committee shall establish its own rules of procedure.

ARTICLE VI
Secretariat Staff

The Secretariat Staff (hereinafter called "the Staff") shall consist of a Secretary General, two Deputy Secretaries General and such further staff as may be appointed by the Secretary General in accordance with the establishment and salary policy and scales laid down by the Committee.

ARTICLE VII
Appointment of Secretary General

1. The Secretary General shall be appointed by the Forum for a term of three years under such conditions as the Committee may determine.

2. The Secretary General shall be eligible for reappointment. His appointment shall not, however, exceed two consecutive terms.

3. The channel of communication of the Secretary General with member governments shall be through their respective Ministries of Foreign Affairs.

4. If for any reason the post of Secretary General is vacant, a Deputy Secretary General shall carry out the functions of the Secretary General on an interim basis until the position is filled.
ARTICLE VIII
Functions of the Secretary General

1. The Secretary General shall act as Secretary to the Forum. He shall also act as Secretary to the Committee and such other councils, committees or working groups that may be established by the Forum or the Committee.

2. The Secretary General shall also perform such other functions and duties directed to him by the Forum, the Committee or such other bodies referred to in paragraph 1 of this Article.

3. The Secretary General shall be responsible for the management of the Secretariat.

ARTICLE IX
Functions of the Secretariat Staff

1. The functions of the Secretariat shall be carried out by the Staff.

2. Subject to the direction of the Committee, the Staff may

(a) prepare studies in order to identify and promote opportunities for a modification of present trade patterns in the South Pacific region, and between the region and other countries, having in mind the objectives of regional trade expansion;

(b) prepare studies as required on political, security and legal issues affecting the Forum or member governments;
(c) carry out necessary investigations in connection with development of free trade among the Forum Island Countries (hereinafter called "FICs");

(d) prepare studies of the development plans and policies of member governments in an effort to promote co-operation in the region; and investigate the scope for regional development planning aimed among other things at a rationalisation of manufacturing and processing industries and the achievement of economies of scale in certain regional enterprises;

(e) establish an advisory service on sources of technical assistance, aid and investment finance, both official and private, that are available to member governments;

(f) undertake studies of regional transport, as necessary, and help co-ordinate action, both government and private, in this sector;

(g) advise and assist member governments with the operation of regional trade and tourist promotion services;

(h) provide a means of regular and rapid consultation among FICs on the region's import requirements to enable the bulk ordering of essential imports by official agencies;

(i) act as a clearing house for information on trade, production and economic development in the region and in areas outside the region which are of interest to member governments;
(j) carry out research and statistical studies on production and trade on a continuing basis as requested by the Committee;

(k) prepare reports, studies and working papers;

(l) establish means for the collection, dissemination and exchange of information and statistics;

(m) co-operate with member governments in research projects and the obtaining and collating of statistics and other information;

(n) co-operate and co-ordinate its work with that of other international and regional organisations; and

(o) undertake such other activities as the Committee may from time to time consider necessary for the attainment of the Secretariat's purpose.

3. The Staff shall provide secretarial support services to the Forum, the Committee and other councils, committees or working groups established by the Forum or the Committee.

ARTICLE X
Budget

1. The annual budget of the Secretariat shall be prepared by the Secretary General for the approval or otherwise by the Committee.

2. The costs of operating the Secretariat shall be borne by the member governments in the shares set out in the Annex to this Agreement, subject to review from time to time by the Forum.
3. In advance of the Committee's approval of the budget, the Secretary General shall be entitled to incur expenditure up to a limit not exceeding two-thirds of the previous year's approved budgetary expenditure.

ARTICLE XI
Legal Status, Privileges and Immunities

1. The Secretariat shall enjoy the legal capacity of a body corporate in the territories of member governments.

2. The Secretariat shall have immunity from suit and legal process and its premises, archives and property shall be inviolable.

3. The Secretariat shall be exempt from taxes, other than such as represent charges for specific services rendered. It shall also be exempt from taxes, duties and other levies, other than charges for specific services rendered, on goods imported for its official use.

4. The Secretariat shall be free of prohibition on goods imported or exported for its official use.

5. The Staff shall be entitled to immunity from suit and legal process in respect of things done or omitted to be done in the course of the performance of their official duties.

6. The Secretary General and Deputy Secretaries General shall be accorded the same exemption from taxes, duties and other levies as is accorded to a diplomatic agent.
7. All staff who are not nationals of Fiji shall be accorded exemption from taxes in respect of salaries received from the Secretariat. They shall also be accorded exemption from taxes on furniture and effects imported at the time of first taking up post.

8. Representatives attending meetings of the Committee shall be accorded immunity from suit and legal process and their official documents shall be inviolable.

ARTICLE XII
Signature, Ratification, Accession, Entry into Force and Withdrawal

1. This Agreement shall be open for signature by the Governments of Australia, the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, New Zealand, Niue, Papua New Guinea, the Republic of the Marshall Islands, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa.

2. The signature of a member government shall not be taken as extending the rights and obligations set forth in this Agreement to the territories for whose international relations the member government is responsible.

3. The original of this Agreement shall be deposited with the Government of the Republic of Fiji which shall transmit certified copies thereof to all member governments and the Secretary General and shall register the Agreement with the Secretary General of the United Nations.
4. This Agreement shall be subject to ratification and shall enter into force on the day on which the instrument of ratification of the last to ratify of the fifteen member governments referred to in paragraph 1 of this Article, has been received by the depositary government.

5. The depositary government shall inform member governments of the entry into force of this Agreement pursuant to this Article.

6. Other governments may, with the approval of the Forum, accede to this Agreement.

7. For governments admitted to membership in the Secretariat in accordance with paragraph 6 of this Article, the Agreement shall enter into force on the date of deposit with the depositary government of an instrument of accession.

8. Any member government may denounce this Agreement by notification addressed to the depositary government and such denunciation shall take effect one year after the day upon which the depositary government has received the notification.

ARTICLE XIII
Amendments

1. This Agreement may be amended at any time by the unanimous agreement of all member governments. The text of any amendment proposed by a member government shall be submitted to the depositary government which shall transmit it to member governments.

2. If the proposal to amend the Agreement receives the support of at least two other member governments, the depositary government shall notify the Secretary General who shall include the proposal on the agenda for the next meeting of the Committee.
3. If the proposal receives the unanimous agreement of the Forum, and there is no requirement for ratification by individual member governments, the amendment so adopted shall enter into force three months later.

4. If the proposal requires ratification by one or more member governments, the amendment so adopted shall enter into force on the day on which the instrument of ratification of the last to ratify of those member governments has been received by the depositary government.

ARTICLE XIV
Rescinding and Savings Provision

This Agreement, upon entry into force, shall terminate and replace the 1973 Agreement Establishing the South Pacific Bureau for Economic Cooperation as amended in 1977 and 1978, provided that upon such termination and replacement, all rights and obligations validly acquired or incurred under the provisions of the SPEC Agreement shall be deemed to have been so acquired or incurred under the provisions of this Agreement.
IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

Opened for signature at Pohnpei this twenty-ninth day of July, 1991.

For the Government of Australia:
For the Government of the Cook Islands:
For the Government of the Federated States of Micronesia:
For the Government of the Republic of Fiji:
For the Government of Kiribati:
For the Government of Nauru:
For the Government of the New Zealand:
For the Government of Niue:
For the Government of Papua New Guinea:
For the Government of the Republic of the Marshall Islands:
For the Government of Solomon Islands:
For the Government of Tonga:
For the Government of Tuvalu:
For the Government of Vanuatu:
For the Government of Western Samoa:
Annex to the Agreement

<table>
<thead>
<tr>
<th>Country</th>
<th>Scale of contributions to the Budget</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td></td>
<td>37.729%</td>
</tr>
<tr>
<td>New Zealand</td>
<td></td>
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APPENDIX C. 3

SOUTH PACIFIC NUCLEAR FREE ZONE TREATY

(RAROTONGA TREATY, 1985)
SOUTH PACIFIC NUCLEAR FREE ZONE TREATY

Preamble

The Parties to this Treaty

UNITED in their commitment to a world at peace;

GRAVELY CONCERNED that the continuing nuclear arms race presents the risk of nuclear war which would have devastating consequences for all people;

CONVINCED that all countries have an obligation to make every effort to achieve the goal of eliminating nuclear weapons, the terror which they hold for humankind and the threat which they pose to life on earth;

BELIEVING that regional arms control measures can contribute to global efforts to reverse the nuclear arms race and promote the national security of each country in the region and the common security of all;

DETERMINED to ensure, so far as lies within their power, that the bounty and beauty of the land and sea in their region shall remain the heritage of their peoples and their descendants in perpetuity to be enjoyed by all in peace;

REAFFIRMING the importance of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) in preventing the proliferation of nuclear weapons and in contributing to world security;

NOTING, in particular, that Article VII of the NPT recognises the right of any group of States to conclude regional treaties in order to assure the total absence of nuclear weapons in their respective territories;

NOTING that the prohibitions of emplantation and emplacement of nuclear weapons on the seabed and the ocean floor and in the subsoil thereof contained in the Treaty on the Prohibition of the Emplacement of Nuclear Weapons and Other
Weapons of Mass Destruction on the Seabed and the Ocean Floor and in the Subsoil Thereof apply in the South Pacific;

NOTING also that the prohibition of testing of nuclear weapons in the atmosphere or under water, including territorial waters or high seas, contained in the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water applies in the South Pacific;

DETERMINED to keep the region free of environmental pollution by radioactive wastes and other radioactive matter;

GUIDED by the decision of the Fifteenth South Pacific Forum at Tuvalu that a nuclear free zone should be established in the region at the earliest possible opportunity in accordance with the principles set out in the communique of that meeting;

HAVE AGREED as follows:

Article 1

Usage of Terms

For the purposes of this Treaty and its Protocols:
(a) "South Pacific Nuclear Free Zone" means the areas described in Annex 1 as illustrated by the map attached to that Annex:
(b) "territory" means internal waters, territorial sea and archipelagic waters, the seabed and subsoil beneath, the land territory and the airspace above them:
(c) "nuclear explosive device" means any nuclear weapon or other explosive device capable of releasing nuclear energy, irrespective of the purpose for which it could be used. The term includes such a weapon or device in unassembled and partly assembled forms, but does not include the means of transport or delivery of such a weapon or device if separable from and not an indivisible part of it;
(d) "stationing" means emplantation, emplacement, transportation on land or inland waters, stockpiling, storage, installation and deployment.

Article 2

Application of the Treaty

(1) Except where otherwise specified, this Treaty and its Protocols shall apply to territory within the South Pacific Nuclear Free Zone.
(2) Nothing in this Treaty shall prejudice or in any way affect the rights, or the exercise of the rights, of any State under international law with regard to freedom of the seas.
Article 3

RENUNCIATION OF NUCLEAR EXPLOSIVE DEVICES

Each Party undertakes:
(a) not to manufacture or otherwise acquire, possess or have control over any nuclear explosive device by any means anywhere inside or outside the South Pacific Nuclear Free Zone;
(b) not to seek or receive any assistance in the manufacture or acquisition of any nuclear explosive device;
(c) not to take action to assist or encourage the manufacture or acquisition of any nuclear explosive device by any State.

Article 4

PEACEFUL NUCLEAR ACTIVITIES

Each Party undertakes:
(a) not to provide source or special fissionable material, or equipment or material especially designed or prepared for the processing, use or production of special fissionable material for peaceful purposes to:
(i) any non-nuclear-weapon State unless subject to the safeguards required by Article III. 1 of the NPT, or
(ii) any nuclear-weapon State unless subject to applicable safeguards agreements with the International Atomic Energy Agency (IAEA). Any such provision shall be in accordance with strict non-proliferation measures to provide assurance of exclusively peaceful non-explosive use;
(b) to support the continued effectiveness of the international non-proliferation system based on the NPT and the IAEA safeguards system.

Article 5

PREVENTION OF STATIONING OF NUCLEAR EXPLOSIVE DEVICES

(1) Each Party undertakes to prevent in its territory the stationing of any nuclear explosive device.

(2) Each Party in the exercise of its sovereign rights remains free to decide for itself whether to allow visits by foreign ships and aircraft to its ports and airfield, transit of its airspace by foreign aircraft, and navigation by foreign ships in its territorial sea or archipelagic waters in a manner not covered by the rights of innocent passage, archipelagic sea lanes passage or transit passage of straits.
Article 6

PREVENTION OF TESTING OF NUCLEAR EXPLOSIVE DEVICES

Each Party undertakes:
(a) to prevent in its territory the testing of any nuclear explosive device;
(b) not to take any action to assist or encourage the testing of any nuclear explosive device by any State.

Article 7

PREVENTION OF DUMPING

(1) Each Party undertakes:
(a) not to dump radioactive wastes and other radioactive matter at sea anywhere within the South Pacific Nuclear Free Zone;
(b) to prevent the dumping of radioactive wastes and other radioactive matter by anyone in its territorial sea;
(c) not to take any action to assist or encourage the dumping by anyone of radioactive wastes and other radioactive matter at sea anywhere within the South Pacific Nuclear Free Zone;
(d) to support the conclusion as soon as possible of the proposed Convention relating to the protection of the natural resources and environment of the South Pacific region and its Protocol for the prevention of pollution of the South Pacific region by dumping, with the aim of precluding dumping at sea of radioactive wastes and other radioactive matter by anyone anywhere in the region.
(2) Paragraph 1 (a) and 1 (b) of this Article shall not apply to areas of the South Pacific Nuclear Free Zone in respect of which such a Convention and Protocol have entered into force.

Article 8

CONTROL SYSTEM

(1) The Parties hereby establish a control system for the purpose of verifying compliance with their obligations under this Treaty.
(2) The control system shall comprise:
(a) reports and exchange of information as provided for in Article 9;
(b) consultations as provided for in Article 10 and Annex 4 (1);
(c) the application to peaceful nuclear activities of safeguards by the IAEA as
provided for in Annex 2;
(d) a complaints procedure as provided for in Annex 4.

Article 9

REPORTS AND EXCHANGES OF INFORMATION

(1) Each Party shall report to the Director of the South Pacific Bureau for Economic Co-operation (the Director) as soon as possible any significant event with its jurisdiction affecting the implementation of this Treaty. The Director shall circulate such reports promptly to all Parties.

(2) The Parties shall endeavour to keep each other informed on matters arising under or in relation to this Treaty. They may exchange information by communicating it to the Director, who shall circulate it to all Parties.

(3) The Director shall report annually to the South Pacific Forum on the status of this Treaty and matters arising under or in relation to it, incorporating reports and communications made under paragraphs 1 and 2 of this Article and matters arising under Articles 8 (2) (d) and 10 and Annex 2 (4).

Article 10

CONSULTATIONS AND REVIEW

Without prejudice to the conduct of consultations among Parties by other means, the Director, at the request of any Party, shall convene a meeting of the Consultative Committee established by Annex 3 for consultation and co-operation on any matter arising in relation to this Treaty or for reviewing its operation.

Article 11

AMENDMENT

The Consultative Committee shall consider proposals for amendment of the provisions of this Treaty proposed by any Party and circulated by the Director to all Parties not less than three months prior to the convening of the Consultative Committee for this purpose. Any proposal by the Consultative Committee shall be communicated to the Director who shall circulate it for acceptance to all Parties. An amendment shall enter into force thirty days after receipt by the depositary of acceptances from all Parties.
Article 12

SIGNATURE AND RATIFICATION

(1) This Treaty shall be open for signature by any Member of the South Pacific Forum.

(2) This Treaty shall be subject to ratification. Instruments of ratification shall be deposited with the Director who is hereby designated depositary of this Treaty and its Protocols.

(3) If a Member of the South Pacific Forum whose territory is outside the South Pacific Nuclear Free Zone becomes a Party to this Treaty, Annex I shall be deemed to be amended so far as required to enclose at least the territory of that Party within the boundaries of the South Pacific Nuclear Free Zone. The delineation of any area added pursuant to this paragraph shall be approved by the South Pacific Forum.

Article 13

WITHDRAWAL

(1) This Treaty is of a permanent nature and shall remain in force indefinitely, provided that in the event of a violation by any Party of a provision of this Treaty essential to the achievement of the objectives of the Treaty or of the spirit of the Treaty, every other Party shall have the right to withdraw from the Treaty.

(2) Withdrawal shall be effected by giving notice twelve months in advance to the Director who shall circulate such notice to all other Parties.

Article 14

RESERVATIONS

This Treaty shall not be subject to reservations.

Article 15

ENTRY INTO FORCE

(1) This Treaty shall enter into force on the date of deposit of the eighth instrument of ratification.

(2) For a signatory which ratifies this Treaty after the date of deposit of the eighth instrument of ratification, the Treaty shall enter into force on the date of deposit of its instrument of ratification.
Article 16

DEPOSITARY FUNCTIONS

The depositary shall register this Treaty and its Protocols pursuant to Article 102 of the Charter of the United Nations and shall transmit certified copies of the Treaty and its Protocols to all Members of the South Pacific Forum and all States eligible to become Party to the Protocols to the Treaty and shall notify them of signatures and ratifications of the Treaty and its Protocols.

IN WITNESS WHEREOF the undersigned, being duly authorised by their Governments, have signed this Treaty.

DONE at Rarotonga, this sixth day of August, One thousand nine hundred and eighty-five, in a single original in the English language.

Annex 1

SOUTH PACIFIC NUCLEAR FREE ZONE

A. The area bounded by a line—
(1) commencing at the point of intersection of the Equator by the maritime boundary between Indonesia and Papua New Guinea;
(2) running thence northerly along that maritime boundary to its intersection by the outer limit of the Exclusive Economic Zone of Papua New Guinea;
(3) thence generally north-easterly, easterly and south-easterly along that outer limit to its intersection by the Equator;
(4) thence east along the Equator to its intersection by the meridian of Longitude 163 degrees East;
(5) thence north along that meridian to its intersection by the parallel of Latitude 3 degrees North;
(6) thence east along that parallel to its intersection by the meridian of Longitude 171 degrees East;
(7) thence north along that meridian to its intersection by the parallel of Latitude 4 degrees North;
(8) thence east along that parallel to its intersection by the meridian of Longitude 180 degrees East;
(9) thence south along that meridian to its intersection by the Equator;
(10) thence east along the Equator to its intersection by the meridian of Longitude 165 degrees West;
(11) thence north along that meridian to its intersection by the parallel of Latitude 5 degrees 30 minutes North;
(12) thence east along that parallel to its intersection by the meridian of Longitude 154 degrees West;
(13) thence south along that meridian to its intersection by the Equator;
(14) thence east along the Equator to its intersection by the meridian of Longitude 115 degrees West;
(15) thence south along that meridian to its intersection by the parallel of Latitude 60 degrees South;
(16) thence west along that parallel to its intersection by the meridian of Longitude 115 degrees East;
(17) thence north along that meridian to its southermost intersection by the outer limit of the territorial sea of Australia;
(18) thence generally northerly and easterly along the outer limit of the territorial sea of Australia to its intersection by the meridian of Longitude 136 degrees 45 minutes East;
(19) thence north-easterly along the geodesic to the point of Latitude 10 degrees 50 minutes South, Longitude 139 degrees 12 minutes East;
(20) thence north-easterly along the maritime boundary between Indonesia and Papua New Guinea to where it joins the land border between those two countries;
(21) thence generally northerly along that land border to where it joins the maritime boundary between Indonesia and Papua New Guinea, on the northern coastline of Papua New Guinea; and
(22) thence generally northerly along that boundary to the point of commencement.

B. The areas within the outer limits of the territorial seas of all Australian islands lying westward of the area described in paragraph A and north of Latitude 60 degrees South, provided that any such areas shall cease to be part of the South Pacific Nuclear Free Zone upon receipt by the depositary of written notice from the Government of Australia stating that the areas have become subject to another treaty having an object and purpose substantially the same as that of this Treaty.

Annex 2

IAEA Safeguards

(1) The safeguards referred to in Article 8 shall in respect of each Party be applied by the IAEA as set forth in an agreement negotiated and concluded with the IAEA on all source or special fissionable material in all peaceful nuclear activities within the territory of the Party, under its jurisdiction or carried out under its control anywhere.
(2) The agreement referred to in paragraph 1 shall be, or shall be equivalent in its scope and effect to, an agreement required in connection with the NPT on the basis of the material reproduced in document INFCIR/153 (Corrected) of the IAEA. Each party shall take all appropriate steps to ensure that such an agreement is in force for it not later than eighteen months after the date of entry into force for that Party of this Treaty.
(3) For the purposes of this Treaty, the safeguards referred to in paragraph 1
shall have as their purpose the verification of the non-diversion of nuclear material from peaceful nuclear activities to nuclear explosive devices.

(4) Each Party agrees upon the request of any other Party to transmit to that Party and to the Director for the information of all Parties a copy of the overall conclusions of the most recent report by the IAEA on its inspection activities in the territory of the Party concerned, and to advise the Director promptly of any subsequent findings of the Board of Governors of the IAEA in relation to those conclusions for the information of all Parties.

Annex 3

CONSULTATIVE COMMITTEE

(1) There is hereby established a Consultative Committee which shall be convened by the Director from time to time pursuant to Articles 10 and 11 and Annex 4 (2). The Consultative Committee shall be constituted of representatives of the Parties, each Party being entitled to appoint one representative who may be accompanied by advisers. Unless otherwise agreed, the Consultative Committee shall be chaired at any given meeting by the representative of the Party which last hosted the meeting of Heads of Government of Members of the South Pacific Forum. A quorum shall be constituted by representatives of half the Parties. Subject to the provisions of Article 11, decisions of the Consultative Committee shall be taken by consensus or, failing consensus, by a two-thirds majority of those present and voting. The Consultative Committee shall adopt such other rules of procedure as it sees fit.

(2) The costs of the Consultative Committee, including the costs of special inspections pursuant to Annex 4, shall be borne by the South Pacific Bureau for Economic Co-operation. It may seek special funding should this be required.

Annex 4

COMPLAINTS PROCEDURE

(1) A Party which considers that there are grounds for a complaint that another Party is in breach of its obligations under this Treaty shall, before bringing such a complaint to the attention of the Party complained of and shall allow the latter reasonable opportunity to provide it with an explanation and to resolve the matter.

(2) If the matter is not so resolved, the complainant Party may bring the complaint to the Director with a request that the Consultative Committee be convened to consider it. Complaints shall be supported by an account of evidence of breach of obligations known to the complainant Party. Upon receipt of a complaint the Director shall convene the Consultative Committee as quickly
as possible to consider it.

(3) The Consultative Committee, taking account of efforts made under paragraph 1, shall afford the Party complained of a reasonable opportunity to provide it with an explanation of the matter.

(4) If, after considering any explanation given to it by the representatives of the Party complained of, the Consultative Committee decides that there is sufficient substance in the complaint to warrant a special inspection in the territory of that Party or elsewhere, the Consultative Committee shall direct that such special inspection be made as quickly as possible by a special inspection team of three suitably qualified special inspectors appointed by the Consultative Committee in consultation with the complained of and complainant Parties, provided that no national of either Party shall serve on the special inspection team. If so requested by the Party complained of, the special inspection team shall be accompanied by representatives of that Party. Neither the right of consultation on the appointment of special inspectors, nor the right to accompany special inspectors, shall delay the work of the special inspection team.

(5) In making a special inspection, special inspectors shall be subject to the direction only of the Consultative Committee and shall comply with such directives concerning tasks, objectives confidentiality and procedures as may be decided upon by it. Directives shall take account of the legitimate interests of the Party complained of in complying with its other international obligations and commitments and shall not duplicate safeguards procedures to be undertaken by the IAEA pursuant to agreements referred to in Annex 2 (1). The special inspectors shall discharge their duties with due respect for the laws of the Party complained of.

(6) Each Party shall give to special inspectors full and free access to all information and places within its territory which may be relevant to enable the special inspectors to implement the directives given to them by the Consultative Committee.

(7) The Party complained of shall take all appropriate steps to facilitate the special inspection, and shall grant to special inspectors privileges and immunities necessary for the performance of their functions, including inviolability for all papers and documents and immunity from arrest, detention and legal process for acts done and words spoken and written, for the purpose of the special inspection.

(8) The special inspectors shall report in writing as quickly as possible to the Consultative Committee, outlining their activities, setting out relevant facts and information as ascertained by them, with supporting evidence and documentation as appropriate, and stating their conclusions. The Consultative Committee shall report fully to all Members of the South Pacific Forum, giving its decision as to whether the Party complained of is in breach of its obligations under this Treaty.

(9) If the Consultative Committee has decided that the Party complained of is in breach of its obligations under this Treaty, or that the above provisions
have not been complied with, or at any time at the request of either the complaint or complained of Party, the Parties shall meet promptly at a meeting of the South Pacific Forum.
CONVENTION FOR THE PROTECTION
OF NATURAL RESOURCES AND ENVIRONMENT
OF THE SOUTH PACIFIC REGION

(SPREP CONVENTION)
CONVENTION FOR THE PROTECTION
OF THE NATURAL RESOURCES AND ENVIRONMENT
OF THE SOUTH PACIFIC REGION

THE PARTIES,

FULLY AWARE of the economic and social value of the natural resources of the environment of the South Pacific Region;

TAKING INTO ACCOUNT the traditions and cultures of the Pacific people as expressed in accepted customs and practices;

CONSCIOUS of their responsibility to preserve their natural heritage for the benefit and enjoyment of present and future generations;

RECOGNIZING the special hydrological, geological and ecological characteristics of the region which requires special care and responsible management;

RECOGNIZING FURTHER the threat to the marine and coastal environment, its ecological equilibrium, resources and legitimate uses posed by pollution and by the insufficient integration of an environmental dimension into the development process;

SEEKING TO ENSURE that resource development shall be in harmony with the maintenance of the unique environmental quality of the region and the evolving principles of sustained resource management;

REALIZING FULLY the need for co-operation amongst themselves and with competent international, regional and sub-regional organisations in order to ensure a co-ordinated and comprehensive development of the natural resources of the region;

RECOGNIZING the desirability for the wider acceptance and national implementation of international agreements already in existence concerning the marine and coastal environment;

NOTING, however, that existing international agreements concerning the marine and coastal environment do not cover, in spite of the progress achieved, all aspects and sources of marine pollution and environmental degradation and do not entirely meet the special requirements of the South Pacific Region;
DESIROUS to adopt the regional convention to strengthen the implementation of the general objectives of the Action Plan for Managing the Natural Resources and Environment of the South Pacific Region adopted at Rarotonga, Cook Islands, on 11 March 1982;

HAVE AGREED AS FOLLOWS:
Article 1

GEORAPHICAL COVERAGE

1. This Convention shall apply to the South Pacific Region, hereinafter referred to as "the Convention Area" as defined in paragraph (a) of article 2.

2. Except as may be otherwise provided in any Protocol to this Convention, the Convention Area shall not include internal waters or archipelagic waters of the Parties as defined in accordance with international law.

Article 2

DEFINITIONS

For the purposes of this Convention and its Protocols unless otherwise defined in any such Protocol:

(a) the "Convention Area" shall comprise:

(i) the 200 nautical mile zones established in accordance with international law off:

American Samoa
Australia (East Coast and Islands to eastward including Macquarie Island)
Cook Islands
Federated States of Micronesia
Fiji
French Polynesia
Guam
Kiribati
Marshall Islands
Nauru
New Caledonia and Dependencies
New Zealand
Niue
Northern Mariana Islands
Palau
Papua New Guinea
Pitcairn Islands
Solomon Islands
Tokelau
Tonga
Tuvalu
Vanuatu
Wallis and Futuna
Western Samoa

(ii) those areas of high seas which are enclosed from all sides by the 200 nautical mile zones referred to in sub-paragraph (i);

(iii) areas of the Pacific Ocean which have been included in the Convention Area pursuant to article 3;
(b) "dumping" means:

- any deliberate disposal at sea of wastes or other matter from vessels, aircraft, platforms or other man-made structures at sea;

- any deliberate disposal at sea of vessels, aircraft, platforms or other man-made structures at sea;

"dumping" does not include:

- the disposal of wastes or other matter incidental to, or derived from the normal operations of vessels, aircraft, platforms or other man-made structures at sea and their equipment, other than wastes or other matter transported by or to vessels, aircraft, platforms or other man-made structures at sea, operating for the purpose of disposal of such matter or derived from the treatment of such wastes or other matter on such vessels, aircraft, platforms or structures;

- placement of matter for a purpose other than the mere disposal thereof, provided that such placement is not contrary to the aims of this Convention;

(c) "wastes or other matter" means material and substances of any kind, form or description;

(d) the following wastes or other matter shall be considered to be non-radioactive: sewage sludge, dredge spoil, fly ash, agricultural wastes, construction materials, vessels, artificial reef building materials and other such materials, provided that they have not been contaminated with radio nuclides of anthropogenic origin (except dispersed global fallout from nuclear weapons testing), nor are potential sources of naturally occurring radio nuclides for commercial purposes, nor have been enriched in natural or artificial radio nuclides;

if there is a question as to whether the material to be dumped should be considered non-radioactive, for the purposes of this Convention, such material shall not be dumped unless the appropriate national authority of the proposed dumper confirms that such dumping would not exceed the individual and collective dose limits of the International Atomic Energy Agency general principles for the exemption of radiation sources and practices from regulatory control. The national authority shall also take into account the relevant recommendations, standards and guidelines developed by the International Atomic Energy Agency;

(e) "vessels" and "aircraft" means waterborne or airborne craft of any type whatsoever. This expression includes air cushioned craft and floating craft, whether self-propelled or not;

(f) "pollution" means the introduction by man, directly or indirectly, of substances or energy into the marine environment (including estuaries) which results or is likely to result in such deleterious effects as harm to living resources and marine life, hazards to human health, hindrance to marine activities, including fishing and
other legitimate uses of the sea, impairment of quality for use of sea water and reduction of amenities;

in applying this definition to the Convention obligations, the Parties shall use their best endeavours to comply with the appropriate standards and recommendations established by competent international organisations, including the International Atomic Energy Agency;

(g) "Organisation" means the South Pacific Commission;

(h) "Director" means the Director of the South Pacific Bureau for Economic Co-operation.

Article 3

ADDITION TO THE CONVENTION AREA

Any Party may add areas under its jurisdiction within the Pacific Ocean between the Tropic of Cancer and 60 degrees South latitude and between 130 degrees East longitude and 120 degrees West longitude to the Convention Area. Such addition shall be notified to the Depositary who shall promptly notify the other Parties and the Organisation. Such areas shall be incorporated within the Convention Area ninety days after notification to the Parties by the Depositary, provided there has been no objection to the proposal to add new areas by any Party affected by that proposal. If there is any such objection the Parties concerned will consult with a view to resolving the matter.

Article 4

GENERAL PROVISIONS

1. The Parties shall endeavour to conclude bilateral or multilateral agreements, including regional or sub-regional agreements, for the protection, development and management of the marine and coastal environment of the Convention Area. Such agreements shall be consistent with this Convention and in accordance with international law. Copies of such agreements shall be communicated to the Organisation and through it to all Parties to this Convention.

2. Nothing in this Convention or its Protocols shall be deemed to affect obligations assumed by a Party under agreements previously concluded.

3. Nothing in this Convention and its Protocols shall be construed to prejudice or affect the interpretation and application of any provision or term in the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1972.

4. This Convention and its Protocols shall be construed in accordance with international law relating to their subject matter.

5. Nothing in this Convention and its Protocols shall prejudice the present or future claims and legal views of any Party concerning the nature and extent of maritime jurisdiction.
Nothing in this Convention shall affect the sovereign right of States to exploit, develop and manage their own natural resources pursuant to their own policies, taking into account their duty to protect and preserve the environment. Each Party shall ensure that activities within its jurisdiction or control do not cause damage to the environment of other States or of areas beyond the limits of its national jurisdiction.

Article 5

GENERAL OBLIGATIONS

1. The Parties shall endeavour, either individually or jointly, to take all appropriate measures in conformity with international law and in accordance with this Convention and those Protocols in force to which they are party to prevent, reduce and control pollution of the Convention Area, from any source, and to ensure sound environmental management and development of natural resources, using for this purpose the best practicable means at their disposal, and in accordance with their capabilities. In doing so the Parties shall endeavour to harmonise their policies at the regional level.

2. The Parties shall use their best endeavours to ensure that the implementation of this Convention shall not result in an increase in pollution in the marine environment outside the Convention Area.

3. In addition to the Protocol for the Prevention of Pollution of the South Pacific Region by Dumping and the Protocol Concerning Co-operation in Combating Pollution Emergencies in the South Pacific Region, the Parties shall co-operate in the formulation and adoption of other Protocols prescribing agreed measures, procedures and standards to prevent, reduce and control pollution from all sources or in promoting environmental management in conformity with the objectives of this Convention.

4. The Parties shall, taking into account existing internationally recognised rules, standards, practices and procedures, co-operate with competent global, regional and sub-regional organisations to establish and adopt recommended practices, procedures and measures to prevent, reduce and control pollution from all sources and to promote sustained resource management and to ensure the sound development of natural resources in conformity with the objectives of this Convention and its Protocols, and to assist each other in fulfilling their obligations under this Convention and its Protocols.

5. The Parties shall endeavour to establish laws and regulations for the effective discharge of the obligations prescribed in this Convention. Such laws and regulations shall be no less effective than international rules, standards and recommended practices and procedures.
Article 6

POLLUTION FROM VESSELS

The Parties shall take all appropriate measures to prevent, reduce and control pollution in the Convention Area caused by discharges from vessels, and to ensure the effective application in the Convention Area of the generally accepted international rules and standards established through the competent international organisation or general diplomatic conference relating to the control of pollution from vessels.

Article 7

POLLUTION FROM LAND-BASED SOURCES

The Parties shall take all appropriate measures to prevent, reduce and control pollution in the Convention Area caused by coastal disposal or by discharges emanating from rivers, estuaries, coastal establishments, outfall structures, or any other sources in their territory.

Article 8

POLLUTION FROM SEA-BED ACTIVITIES

The Parties shall take all appropriate measures to prevent, reduce and control pollution in the Convention Area resulting directly or indirectly from exploration and exploitation of the sea-bed and its subsoil.

Article 9

AIRBORNE POLLUTION

The Parties shall take all appropriate measures to prevent, reduce and control pollution in the Convention Area resulting from discharges into the atmosphere from activities under their jurisdiction.
Article 10

DISPOSAL OF WASTES

1. The Parties shall take all appropriate measures to prevent, reduce and control pollution in the Convention Area caused by dumping from vessels, aircraft, or man-made structures at sea, including the effective application of the relevant internationally recognised rules and procedures relating to the control of dumping of wastes and other matter. The Parties agree to prohibit the dumping of radioactive wastes or other radioactive matter in the Convention area. Without prejudice to whether or not disposal into the seabed and subsoil of wastes or other matter is "dumping", the Parties agree to prohibit the disposal into the seabed and subsoil of the Convention area of radioactive wastes or other radioactive matter.

2. This article shall also apply to the continental shelf of a Party where it extends, in accordance with international law, outward beyond the Convention Area.

Article 11

STORAGE OF TOXIC AND HAZARDOUS WASTES

The Parties shall take all appropriate measures to prevent, reduce and control pollution in the Convention Area resulting from the storage of toxic and hazardous wastes. In particular, the Parties shall prohibit the storage of radioactive wastes or other radioactive matter in the Convention Area.

Article 12

TESTING OF NUCLEAR DEVICES

The Parties shall take all appropriate measures to prevent, reduce and control pollution in the Convention Area which might result from the testing of nuclear devices.

Article 13

MINING AND COASTAL EROSION

The Parties shall take all appropriate measures to prevent, reduce and control environmental damage in the Convention Area, in particular coastal erosion caused by coastal engineering, mining activities, sand removal, land reclamation and dredging.
Article 14

SPECIAL PROTECTED AREAS AND PROTECTION OF WILD FLORA AND FAUNA

The Parties shall, individually or jointly, take all appropriate measures to protect and preserve rare or fragile ecosystems and depleted, threatened or endangered flora and fauna as well as their habitat in the Convention Area. To this end, the Parties shall, as appropriate, establish protected areas, such as parks and reserves, and prohibit or regulate any activity likely to have adverse effects on the species, ecosystems or biological processes that such areas are designed to protect. The establishment of such areas shall not affect the rights of other Parties or third States under international law. In addition, the Parties shall exchange information concerning the administration and management of such areas.

Article 15

CO-OPERATION IN COMBATING POLLUTION IN CASES OF EMERGENCY

1. The Parties shall cooperate in taking all necessary measures to deal with pollution emergencies in the Convention Area, whatever the cause of such emergencies, and to prevent, reduce and control pollution or the threat of pollution resulting therefrom. To this end, the Parties shall develop and promote individual contingency plans and joint contingency plans for responding to incidents involving pollution or the threat thereof in the Convention Area. 2. When a Party becomes aware of a case in which the Convention Area is in imminent danger of being polluted or has been polluted, it shall immediately notify other countries and territories it deems likely to be affected by such pollution, as well as the Organisation. Furthermore it shall inform, as soon as feasible, such other countries and territories and the Organisation of any measures it has itself taken to reduce or control pollution or the threat thereof.
Article 16

ENVIRONMENTAL IMPACT ASSESSMENT

1. The Parties agree to develop and maintain, with the assistance of competent global, regional and sub-regional organisations as requested, technical guidelines and legislation giving adequate emphasis to environmental and social factors to facilitate balanced development of their natural resources and planning of their major projects which might affect the marine environment in such a way as to prevent or minimise harmful impacts on the Convention Area.

2. Each Party shall, within its capabilities, assess the potential effects of such projects on the marine environment, so that appropriate measures can be taken to prevent any substantial pollution of, or significant and harmful changes within, the Convention Area.

3. With respect to the assessment referred to in paragraph 2, each Party shall, where appropriate, invite:

(a) public comment according to its national procedures,

(b) other Parties that may be affected to consult with it and submit comments.

The results of these assessments shall be communicated to the Organisation, which shall make them available to interested Parties.

Article 17

SCIENTIFIC AND TECHNICAL CO-OPERATION

1. The Parties shall co-operate, either directly or with the assistance of competent global, regional and sub-regional organisations, in scientific research, environmental monitoring, and the exchange of data and other scientific and technical information related to the purposes of the Convention.

2. In addition, the Parties shall, for the purposes of this Convention, develop and co-ordinate research and monitoring programmes relating to the Convention Area and co-operate, as far as practicable, in the establishment and implementation of regional, sub-regional and international research programmes.
Article 18

TECHNICAL AND OTHER ASSISTANCE

The Parties undertake to co-operate, directly and when appropriate through the competent global, regional and sub-regional organisations, in the provision to other Parties of technical and other assistance in fields relating to pollution and sound environmental management of the Convention Area, taking into account the special needs of the island developing countries and territories.

Article 19

TRANSMISSION OF INFORMATION

The Parties shall transmit to the Organisation information on the measures adopted by them in the implementation of this Convention and of Protocols to which they are Parties, in such form and at such intervals as the Parties may determine.

Article 20

LIABILITY AND COMPENSATION

The Parties shall co-operate in the formulation and adoption of appropriate rules and procedures in conformity with international law in respect of liability and compensation for damage resulting from pollution of the Convention Area.
Article 21

INSTITUTIONAL ARRANGEMENTS

1. The Organisation shall be responsible for carrying out the following secretariat functions:

(a) to prepare and convene the meetings of Parties;

(b) to transmit to the Parties notifications, reports and other information received in accordance with this Convention and its Protocols;

(c) to perform the functions assigned to it by the Protocols to this Convention;

(d) to consider enquiries by, and information from, the Parties and to consult with them on questions relating to this Convention and the Protocols;

(e) to co-ordinate the implementation of co-operative activities agreed upon by the Parties;

(f) to ensure the necessary co-ordination with other competent global, regional and sub-regional bodies;

(g) to enter into such administrative arrangements as may be required for the effective discharge of the secretariat functions;

(h) to perform such other functions as may be assigned to it by the Parties; and

(i) to transmit to the South Pacific Conference and the South Pacific Forum the reports of ordinary and extraordinary meetings of the Parties.

2. Each Party shall designate an appropriate national authority to serve as the channel of communication with the Organisation for the purposes of this Convention.
Article 22

MEETINGS OF THE PARTIES

1. The Parties shall hold ordinary meetings once every two years. Ordinary meetings shall review the implementation of this Convention and its Protocols and, in particular, shall:

(a) assess periodically the state of the environment in the Convention Area;
(b) consider the information submitted by the Parties under article 19;
(c) adopt, review and amend as required annexes to this Convention and to its Protocols, in accordance with the provisions of article 25;
(d) make recommendations regarding the adoption of any Protocols or any amendments to this Convention or its Protocols in accordance with the provisions of articles 23 and 24;
(e) establish working groups as required to consider any matters concerning this Convention and its Protocols;
(f) consider co-operative activities to be undertaken within the framework of this Convention and its Protocols, including their financial and institutional implications and to adopt decisions relating thereto;
(g) consider and undertake any additional action that may be required for the achievement of the purposes of this Convention and its Protocols; and
(h) adopt by consensus financial rules and budget, prepared in consultation with the Organisation, to determine, inter alia, the financial participation of the Parties under this Convention and those Protocols to which they are party.

2. The Organisation shall convene the first ordinary meeting of the Parties not later than one year after the date on which the Convention enters into force in accordance with article 31.

3. Extraordinary meetings shall be convened at the request of any Party or upon the request of the Organisation, provided that such requests are supported by at least two-thirds of the Parties. It shall be the function of an extraordinary meeting of the Parties to consider those items proposed in the request for the holding of the extraordinary meeting and any other items agreed to by all the Parties attending the meeting.

4. The Parties shall adopt by consensus at their first ordinary meeting, rules of procedure for their meetings.
**Article 23**

**ADOPTION OF PROTOCOLS**

1. The Parties may, at a conference of plenipotentiaries, adopt protocols to this Convention pursuant to paragraph 3 of article 5.

2. If so requested by a majority of the Parties, the Organisation shall convene a conference of plenipotentiaries for the purpose of adopting Protocols to this Convention.

**Article 24**

**AMENDMENT OF THE CONVENTION AND ITS PROTOCOLS**

1. Any Party may propose amendments to this Convention. Amendments shall be adopted by a conference of plenipotentiaries which shall be convened by the Organisation at the request of two-thirds of the Parties.

2. Any Party to this Convention may propose amendments to any Protocol. Such amendments shall be adopted by a conference of plenipotentiaries which shall be convened by the Organisation at the request of two-thirds of the Parties to the Protocol concerned.

3. A proposed amendment to the Convention or any Protocol shall be communicated to the Organisation, which shall promptly transmit such proposal for consideration to all the other Parties.

4. A conference of plenipotentiaries to consider a proposed amendment to the Convention or any Protocol shall be convened not less than ninety days after the requirements for the convening of the Conference have been met pursuant to paragraphs 1 or 2, as the case may be.

5. Any amendment to this Convention shall be adopted by a three-fourths majority vote of the Parties to the Convention which are represented at the conference of plenipotentiaries and shall be submitted by the Depositary for acceptance by all Parties to the Convention. Amendments to any Protocol shall be adopted by a three-fourths majority vote of the Parties to the Protocol which are represented at the conference of plenipotentiaries and shall be submitted by the Depositary for acceptance by all Parties to the Protocol.
6. Instruments of ratification, acceptance or approval of amendments shall be deposited with the Depositary. Amendments shall enter into force between Parties having accepted such amendments on the thirtieth day following the date of receipt by the Depositary of the instruments of at least three-fourths of the Parties to this Convention or to the Protocol concerned, as the case may be. Thereafter the amendments shall enter into force for any other Party on the thirtieth day after the date on which that Party deposits its instrument.

7. After the entry into force of an amendment to this Convention or to a Protocol, any new Party to the Convention or such protocol shall become a Party to the Convention or Protocol as amended.

Article 25

ANNEXES AND AMENDMENT OF ANNEXES

1. Annexes to this Convention or to any Protocol shall form an integral part of the Convention or such Protocol respectively.

2. Except as may be otherwise provided in any Protocol with respect to its annexes, the following procedures shall apply to the adoption and entry into force of any amendments to annexes to this Convention or to annexes to any Protocol:

(a) any Party may propose amendments to the annexes to this Convention or annexes to any Protocol;

(b) any proposed amendment shall be notified by the Organisation to the Parties not less than sixty days before the convening of a meeting of the Parties unless this requirement is waived by the meeting;

(c) such amendments shall be adopted at a meeting of the Parties by a three-fourths majority vote of the Parties to the instrument in question;

(d) the Depositary shall without delay communicate the amendments so adopted to all Parties;

(e) any Party that is unable to approve an amendment to the annexes to this Convention or to annexes to any Protocol shall so notify in writing to the Depositary within one hundred days from the date of the communication of the amendment by the Depositary. A Party may at any time substitute an acceptance for a previous declaration of objection, and the amendment shall thereupon enter into force for that Party;

(f) the Depositary shall without delay notify all Parties of any notification received pursuant to the preceding sub-paragraph; and
3. The adoption and entry into force of a new annex shall be subject to the same procedure as that for the adoption and entry into force of an amendment to an annex as set out in the provisions of paragraph 2, provided that, if any amendment to the Convention or the Protocol concerned is involved, the new annex shall not enter into force until such time as that amendment enters into force.

4. Amendments to the Annex on Arbitration shall be considered to be amendments to this Convention or its Protocols and shall be proposed and adopted in accordance with the procedures set out in article 24.

Article 26

SETTLEMENT OF DISPUTES

1. In case of a dispute between Parties as to the interpretation or application of this Convention or its Protocols, they shall seek a settlement of the dispute through negotiation or any other peaceful means of their own choice. If the Parties concerned cannot reach agreement, they should seek the good offices of, or jointly request mediation by, a third Party.

2. If the Parties concerned cannot settle their dispute through the means mentioned in paragraph 1, the dispute shall, upon common agreement, except as may be otherwise provided in any Protocol to this Convention, be submitted to arbitration under conditions laid down in the Annex on Arbitration to this Convention. However, failure to reach common agreement on submission of the dispute to arbitration shall not absolve the Parties from the responsibility of continuing to seek to resolve it by means referred to in paragraph 1.

3. A Party may at any time declare that it recognizes as compulsory ipso facto and without special agreement, in relation to any other Party accepting the same obligation, the application of the arbitration procedure set out in the Annex on Arbitration. Such declaration shall be notified in writing to the Depositary who shall promptly communicate it to the other Parties.
Article 27

RELATIONSHIP BETWEEN THIS CONVENTION AND ITS PROTOCOLS

1. No State may become a Party to this Convention unless it becomes at the same time a Party to one or more Protocols. No State may become a Party to a Protocol unless it is, or becomes at the same time, a Party to this Convention.

2. Decisions concerning any Protocol pursuant to articles 22, 24 and 25 of this Convention shall be taken only by the Parties to the Protocol concerned.

Article 28

SIGNATURE

This Convention, the Protocol Concerning Co-operation in Combating Pollution Emergencies in the South Pacific Region, and the Protocol for the Prevention of Pollution of the South Pacific Region by Dumping shall be open for signature at the South Pacific Commission Headquarters in Noumea, New Caledonia on 25 November 1986 and at the South Pacific Bureau for Economic Co-operation Headquarters, Suva, Fiji from 26 November 1986 to 25 November 1987 by States which were invited to participate in the Plenipotentiary Meeting of the High Level Conference on the Protection of the Natural Resources and Environment of the South Pacific Region held at Noumea, New Caledonia from 24 November 1986 to 25 November 1986.

Article 29

RATIFICATION, ACCEPTANCE OR APPROVAL

This Convention and any Protocol thereto shall be subject to ratification, acceptance or approval by States referred to in article 28. Instruments of ratification, acceptance or approval shall be deposited with the Director who shall be the Depositary.
Article 30

ACCESSION

1. This Convention and any Protocol thereto shall be open to accession by the States referred to in article 28 as from the day following the date on which the Convention or Protocol concerned was closed for signature.

2. Any State not referred to in paragraph 1 may accede to the Convention and to any Protocol subject to prior approval by three-fourths of the Parties to the Convention or the Protocol concerned.

3. Instruments of accession shall be deposited with the Depositary.

Article 31

ENTRY INTO FORCE

1. This Convention shall enter into force on the thirty day following the date of deposit of at least ten instruments of ratification, acceptance, approval or accession.

2. Any Protocol to this Convention, except as otherwise provided in such Protocol, shall enter into force on the thirtieth day following the date of deposit of at least five instruments of ratification, acceptance or approval of such Protocol, or of accession thereto, provided that no Protocol shall enter into force before the Convention. Should the requirements for entry into force of a Protocol be met prior to those for entry into force of the Convention pursuant to paragraph 1, such Protocol shall enter into force on the same date as the Convention.

3. Thereafter, this Convention and any Protocol shall enter into force with respect to any State referred to in articles 28 or 30 on the thirtieth day following the date of deposit of its instrument of ratification, acceptance, approval or accession.
Article 32

DENUNCIATION

1. At any time after two years from the date of entry into force of this Convention with respect to a Party, that Party may denounce the Convention by giving written notification to the Depositary.

2. Except as may be otherwise provided in any Protocol to this Convention, any Party may, at any time after two years from the date of entry into force of such Protocol with respect to that Party, denounce the Protocol by giving written notification to the Depositary.

3. Denunciation shall take effect ninety days after the date on which notification of denunciation is received by the Depositary.

4. Any Party which denounces this Convention shall be considered as also having denounced any Protocol to which it was a Party.

5. Any Party which, upon its denunciation of a Protocol, is no longer a Party to any Protocol to this Convention, shall be considered as also having denounced this Convention.

Article 33

RESPONSIBILITIES OF THE DEPOSITARY

1. The Depositary shall inform the Parties, as well as the Organisation:

(a) of the signature of this Convention and of any Protocol thereto and of the deposit of instruments of ratification, acceptance, approval, or accession in accordance with articles 29 and 30;

(b) of the date on which the Convention and any Protocol will come into force in accordance with the provisions of article 31;

(c) of notification of denunciation made in accordance with article 32;

(d) of notification of any addition to the Convention Area in accordance with article 3;

(e) of the amendments adopted with respect to the Convention and to any Protocol, their acceptance by the Parties and the date of their entry into force in accordance with the provisions of article 24; and
(f) of the adoption of new annexes and of the amendments of any annex in accordance with article 25.

2. The original of this Convention and of any Protocol thereto shall be deposited with the Depositary who shall send certified copies thereof to the Signatories, the Parties, to the Organisation and to the Secretary-General of the United Nations for registration and publication in accordance with article 102 of the United Nations Charter.

IN WITNESS WHEREOF the undersigned, being duly authorised by their respective Governments, have signed this Convention.

DONE at Noumea, New Caledonia on the twenty-fourth day of November in the year one thousand nine hundred and eighty-six in a single copy in the English and French languages, the two texts being equally authentic.

for Australia

for the Cook Islands

for the Federated States of Micronesia
APPENDIX C. 5

SOUTH PACIFIC REGIONAL TRADE AND ECONOMIC COOPERATION AGREEMENT (SPARTECA, 1980) AND ITS AMMENDMENT, 1989
SOUTH PACIFIC REGIONAL TRADE AND ECONOMIC COOPERATION AGREEMENT

The Governments of Australia, the Cook Islands, Fiji, Kiribati, Nauru, New Zealand, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu and Western Samoa, being members of the South Pacific Forum (hereinafter referred to as 'the Forum'):

MINDFUL of the close historic, economic, political and geographical links that bind the members of the Forum;
RECOGNISING the special relationship and commitment of Australia and New Zealand to Forum Island countries;
BEARING in mind the desire to strengthen economic co-operation within the South Pacific;
ACKNOWLEDGING the Forum's commitment to the promotion of sustained economic development of the island countries in the region;
AWARE of the crucial and vital role that trade plays in the economic development of the Forum Island countries;
HAVING REGARD to the greater dependence of Forum Island countries vis-a-vis other countries on the Australian and New Zealand markets;
RECOGNISING the desirability of broadening the already extensive duty-free treatment accorded by Australia and New Zealand to products of the Forum Island countries;
TAKING into account the limited industrial potential of Forum Island countries vis-a-vis other developing countries;
RECOGNISING the need to foster trade in products currently produced in the region as well as trade in new products, primary, processed and manufactured; and
MINDFUL of the differing economic potential of Forum Island countries and the special development problems of the Smaller Island countries;
HAVE AGREED as follows:

ARTICLE I

DEFINITIONS

In this Agreement:

'Director' means the Director of the South Pacific Bureau for Economic Cooperation;

'Forum Island countries' means the Cook Islands, Fiji, Kiribati, Nauru, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Western Samoa and the countries of acceding Parties; and

'Smaller Forum Island countries' means the Cook Islands, Kiribati, Niue, Tonga, Tuvalu, Western Samoa, and such other countries, the Governments of which are Parties, as the Governments of Forum Island countries may jointly determine.

ARTICLE II

OBJECTIVES

The objectives of this Agreement are:

(a) to achieve progressively in favour of Forum Island countries duty free and unrestricted access to the markets of Australia and New Zealand over as wide a range of products as possible;
(b) to accelerate the development of the Forum Island countries in particular through the expansion and diversification of their exports to Australia and New Zealand;
(c) to promote and facilitate this expansion and diversification through the elimination of trade barriers;
(d) to foster the growth and expansion of exports of Forum Island countries through the promotion of investment in those countries;
(e) to promote greater penetration by exports from Forum Island countries into the Australian and New Zealand markets through such measures as co-operation in the marketing and promotion of goods from Forum Island countries; and
(f) to promote and facilitate economic cooperation, including commercial, industrial, agricultural and technical cooperation.

ARTICLE III

SCHEDULES OF CONCESSIONS

1. Subject to the provisions of this Agreement the Government of Australia shall:
   (a) permit the duty free and unrestricted entry of goods listed in Schedule 1 to this Agreement that originate in and are imported from Forum Island countries;
   (b) permit the entry of goods listed in Schedule 2 to this Agreement that originate in and are imported from Forum Island countries, subject to the duties and quantitative limits specified in that Schedule.

2. Subject to the provisions of this Agreement the Government of New Zealand shall permit the duty free and unrestricted entry of all goods wholly obtained or partly manufactured in the territory of a Forum Island country, except those goods listed in Schedule 3 to this Agreement which shall be subject to such treatment as may be specified therein.

3. The Schedules to this Agreement shall be an integral part of this Agreement.

ARTICLE IV

AMENDMENT TO SCHEDULES

1. A Government of a Forum Island country may at any time propose in writing to the Director the amendment of a Schedule to this Agreement.

2. On receipt of such a proposal the Director shall advise all Parties of the proposed amendment, and if requested by the Government of any Forum Island country, shall arrange consultations between the Party to which the Schedule applies and interested Governments of Forum Island countries.

3. Following the consultations referred to in paragraph 2 of this Article the Party to which the Schedule applies shall, within a reasonable period, notify the Director of the outcome of consultations. The Director shall thereupon notify all Parties of this outcome including any amendment to the Schedule and the date of its entry into effect.

4. The Party to which a Schedule applies may amend it in order to provide improved concessionary treatment in respect of the importation of goods to which the rules of origin in Article V apply. Such amendments and the date on which they shall take effect shall be notified to the Director by the Government to which the Schedule applies. The Director shall thereupon notify all Parties of the amendments to the Schedule and of the date of their entry into effect.
ARTICLE V

RULES OF ORIGIN

1. Goods shall be treated by the Government of Australia as originating in the territory of a Forum Island country if these goods are:
   (a) the unmanufactured raw products of a Forum Island country; or
   (b) manufactured goods, in relation to which:
      (i) the process last performed in manufacture of the goods was performed in a Forum Island country; and
      (ii) not less than 50 percent of the factory or works cost of the goods is represented by the value of labour or materials, or both, of:
         (a) a Forum Island country; or
         (b) a Forum Island country and one or more other Forum Island countries; or
         (c) one or more Forum Island countries and Australia.

2. The following shall be the classes of goods entitled to be entered under the New Zealand Tariff at the rates and exemptions provided for Forum Island countries, namely:
   (a) The following goods wholly obtained in the territory of any of the Forum Island countries:
      (i) mineral products extracted from its soil or from its seabed;
      (ii) vegetable products harvested there;
      (iii) live animals born and raised there;
      (iv) products obtained there from live animals;
      (v) products obtained by hunting or fishing conducted there;
      (vi) products of sea fishing and other products taken from the sea by its vessels;
      (vii) products made on board its factory ships exclusively from the products referred to in sub-paragraph (a) (vi) of this paragraph;
      (viii) used articles collected there fit only for the recovery of raw materials;
      (ix) waste and scrap resulting from manufacturing operations conducted there; and
      (x) products obtained there exclusively from products specified in sub-paragraphs (a) (i) to (ix) of this paragraph.
   (b) Goods partly manufactured in the territory of a Forum Island country subject to the following conditions:
      (i) that the process last performed in the manufacture of the goods was performed in the territory of a Forum Island country; and
      (ii) that in respect of the goods, the expenditure:
         (a) in material that is the origin of one or more Forum Island countries or of New Zealand;
         (b) in other items of factory or works cost (as defined in the New Zealand Customs Regulations) incurred in one or more Forum Island Countries or in New Zealand; or
         (c) partly in such material and partly in such other items as aforesaid is not less than 50 percent of the factory or works cost of the goods in their finished state.
3. (a) In special circumstances either the Government of Australia or the Government of New Zealand may determine that the expenditure referred to in paragraph 1(b) (ii) of this Article in the case of the Government of Australia, or paragraph 2(b) (ii) of this Article in the case of the Government of New Zealand may be less than 50 percent of the factory or works cost of the goods in their finished state for particular goods or classes of goods. Any such determination may be applied to all such goods originating from the Forum Island countries or restricted to goods from individual Forum Island countries.

(b) In making a determination under this paragraph of the rules of origin, the Government of Australia and the Government of New Zealand shall take account, inter alia, of the special problems of the Smaller Island countries and the area content derived from all Forum Island countries.

4. A Government of a Forum Island country may request the Government of Australia or the Government of New Zealand to make a determination pursuant to paragraph 3 of this Article. The requesting Government shall notify the Director of its request who shall thereupon inform all the Parties. The Government requested to make a determination shall notify the Director of the outcome of the request within 3 months of receipt of that request. The Director shall thereupon notify all the Parties of that outcome.

ARTICLE VI

GENERAL EXCEPTIONS, REVENUE DUTIES, DUMPED AND SUBSIDISED GOODS

General Exceptions

1. Provided that such measures are not used as a means of arbitrary or unjustifiable discrimination or as a disguised restriction on trade, nothing in this Agreement shall preclude the adoption or enforcement by the Government of Australia or the Government of New Zealand of measures:
   (a) necessary for the protection of its essential security interests;
   (b) necessary to protect public morals and the prevention of disorder or crime;
   (c) necessary to protect human, animal or plant life or health;
   (d) necessary to protect industrial property rights, copyrights, or to prevent unfair, deceptive or misleading practices;
   (e) necessary to secure compliance with laws or regulations relating to customs enforcement, to tax avoidance and evasion and to foreign exchange control or for the application of standards or of regulations for the classification, grading or marketing of goods, or to the operation of recognised commodity marketing boards;
   (f) relating to trade in gold and silver; or
   (g) relating to obligations entered into in the context of multilateral or bilateral commodity agreements whilst taking account of any special needs and interests of Forum Island countries.

Revenue Duties

2. Nothing in this Agreement shall preclude the imposition by the Government of Australia of:
   (a) sales taxes; or
   (b) revenue duties which are levied equally on both imports and domestic products.
3. Nothing in this Agreement shall preclude the Government of New Zealand from imposing at any time on the importation of any product, a charge equivalent to an internal tax imposed consistently in respect of the like domestic products or in respect of an article from which the imported product has been manufactured or produced in whole or in part.

**Dumped and Subsidised Goods**

4. (a) Nothing in this Agreement shall preclude the Government of Australia or the Government of New Zealand from taking action, in accordance with their respective national legislation, relating to dumped or subsidised goods.

(b) Before the Government of Australia or the Government of New Zealand takes action in accordance with sub-paragraph (a) of this paragraph it shall notify in writing, and if requested consult with, the Party or Parties from whose territory the goods are being exported. For the purposes of this paragraph consultations shall be deemed to have commenced on the day on which the notification was made.

(c) If a mutually satisfactory solution of the matter is not reached within a period of 60 days from the commencement of the consultations referred to in sub-paragraph (b) of this paragraph, the Party into the territory of which the goods are being imported, after giving notice to the Party from the territory of which the goods are being exported, levy dumping or countervailing duties on the goods.

(d) Notwithstanding the provisions of sub-paragraph (b) of this paragraph the Government of Australia or the Government of New Zealand may take action under sub-paragraph (a) of this paragraph provisionally without prior consultation where, in its opinion, the circumstances are so critical that delay would cause injury to a domestic industry which would be difficult to repair. A Party taking provisional action under this sub-paragraph shall immediately provide written advice of the action taken to the Director who shall notify the other Party or Parties concerned. The Parties shall then enter into consultations as soon as possible.

**ARTICLE VII**

**VARIATION OR SUSPENSION OF OBLIGATIONS**

**Australia**

1. The Government of Australia may vary the treatment accorded goods listed in Schedules 1 and 2 to this Agreement.

2. Before taking action pursuant to paragraph 1 of this Article the Government of Australia shall give notice in writing to the Director who shall inform the Parties of the action proposed. The Government of Australia shall afford those Governments of Forum Island countries, which have an interest as exporters of the product concerned, an opportunity to consult with respect to the proposed action. Such consultations shall be held within a period of 90 days of the receipt by the Director of the notification by the Government of Australia of the proposed action.

3. In varying the treatment accorded goods listed in Schedules 1 and 2 the Government of Australia shall apply the following procedures:

(a) for goods listed in Schedule 1 the Government of Australia may, after consulting with the Governments of Forum Island countries in accordance with paragraph 2 of this Article with respect to the level of imports of those
goods which shall continue to receive duty free access, transfer those goods from Schedule 1 to Schedule 2 with an indication of the duty and/or quantitative limit of imports that it has determined with respect to those goods; or

(b) for goods listed in Schedule 2 which are being imported into Australia from any Forum Island country in such quantities or under such conditions as to cause or threaten serious injury to a domestic industry producing like or directly competitive goods the Government of Australia may request in writing the Party or Parties of the country from which the goods are being exported to consult with it on measures to reduce or prevent that injury. For the purpose of this sub-paragraph consultations shall be deemed to have commenced on the day on which the request was made.

4. If a mutually satisfactory solution of the matter is not reached within a period of 90 days from the commencement of the consultations referred to in paragraph 3(b) of this Article, the Government of Australia may either remove the goods in question from Schedule 2 or increase the duties and/or reduce the quantitative limits specified in that Schedule with respect to those goods. Before taking this action, the Government of Australia shall ensure that:

(a) an enquiry has been held by an Australian assistance advisory body; and

(b) all the Governments of Forum Island countries are given notice of the terms of the enquiry.

5. The Government of Australia shall advise the Director of its decision on the matter upon which the Director shall advise all the Parties.

6. Notwithstanding the provisions of paragraph 2 of this Article the Government of Australia may take the action referred to in paragraphs 1 and 4 of this Article without prior consultation where, in its opinion, the circumstances are so critical that delay would cause severe difficulty before consultations provided for in paragraphs 2 and 3 of this Article could be held. In taking provisional action under this paragraph the Government of Australia shall provide urgent written advice of the action taken to the Director who shall notify the other Parties.

7. Any action taken under the provisions of paragraph 6 of this Article shall cease to have effect 90 days after the implementation of the action, unless, within that period, the Government of Australia has afforded the Governments of interested Forum Island countries the opportunity to consult with it on the matter and has:

(a) undertaken to hold a prompt enquiry by an Australian assistance advisory body; and

(b) informed the Governments of the Forum Island countries of the terms of the enquiry.

New Zealand

8. If, as a result of the application of this Agreement, goods are being imported into New Zealand in such quantities or under such conditions as to cause or threaten serious injury to domestic producers of like or directly competitive goods, the Government of New Zealand may, in respect of such goods, suspend its obligations to the extent and for such time as may be necessary to prevent or remedy such injury, bearing in mind the objectives of this Agreement.

9. Before taking action pursuant to paragraph 8 of this Article the Government of New Zealand shall give notice in writing to the Director who shall inform the other Parties of the action proposed. The Government of New Zealand shall afford those Governments of Forum Island countries which have an interest as exporters of the
product concerned an opportunity to consult with respect to the proposed action. Such consultations shall be held within a period of 90 days of the receipt by the Director of the notification by the Government of New Zealand of the proposed action.

10. (a) If a mutually satisfactory solution is reached through the application of the procedures provided for in paragraph 9 of this Article the Director shall notify the Parties of any decision to modify Schedule 3 to this Agreement and the date on which that modification shall take effect.

(b) If a mutually satisfactory solution of the matter is not reached following the application of the procedures provided for in paragraph 9 of this Article the Government of New Zealand shall advise the Director of the action it proposes to take and the date from which such action shall take effect. The Director shall notify the Parties of any modification of Schedule 3 and the date on which that modification shall take effect.

11. Notwithstanding the provisions of paragraph 9 of this Article the Government of New Zealand may take the action referred to in paragraph 8 of this Article without prior consultation where, in its opinion, the circumstances are so critical that delay would cause injury to a domestic industry which would be difficult to repair. If provisional action is taken under this paragraph the Government of New Zealand shall provide urgent written advise of the action taken to the Director who shall notify the Parties.

12. Any action taken under the provisions of paragraph 11 of this Article shall cease to have effect 90 days after the implementation of the action unless, within that period, the Government of New Zealand has afforded the Governments of interested Forum Island countries the opportunity to consult with it on the matter.

ARTICLE VIII

ECONOMIC, COMMERCIAL AND TECHNICAL COOPERATION

1. In furtherance of the objectives of this Agreement the Parties shall facilitate co-operation between their commercial and industrial organisations and firms, encourage administrative co-operation and take steps to simplify, as far as practicable, procedures and formalities affecting trade.

2. The Parties shall also take appropriate measures to encourage and facilitate the development of economic and technical co-operation between relevant organisations and firms of the countries concerned.

3. In addition, the Government of Australia and the Government of New Zealand shall consider appropriate forms of assistance within their bilateral and regional development assistance programmes in the South Pacific, in accordance with the developmental priorities of individual Forum Island countries. Within these priorities such assistance shall be considered in response to specific requests relating to measures and programmes in the fields of export development and trade promotion, industrial development and the development of agriculture, forestry and fisheries.

4. The Government of Australia and the Government of New Zealand shall also give appropriate support to approaches which may be made by the Governments of Forum Island countries, either individually or collectively, to United Nations, Commonwealth or other international technical assistance agencies for training, research or funding support.
Export Development and Trade Promotion

5. The measures and programmes within the fields of export development and trade promotion referred to in paragraph 3 of this Article may include those which contribute to:

(a) the establishment or the improvement of the structure of organisations and firms in Forum Island countries which contribute to the development of those countries, with particular emphasis on staffing requirements, financial management and working methods;

(b) basic training, management training, and vocational training of technicians in fields related to the development and promotion of domestic and international trade;

(c) product research, processing, quality guarantee and control, packaging and presentation;

(d) the development of supportive infrastructure, including transport and storage facilities, in order to facilitate the flow of exports from Forum Island countries;

(e) the development of effective marketing and promotion techniques, based on research, marketing studies and advertising;

(f) co-operation between relevant organisations and firms in the establishment of schemes to promote the transfer and application of technology, the development of research, and the training of personnel;

(g) the collection, analysis and dissemination of trade information and access, where appropriate, to existing or future information systems or bodies in Australia or New Zealand; and

(h) participation by the Forum Island countries in trade fairs and exhibitions.

Industrial and Agricultural Development

6. The measures and programmes within the fields of industrial development and the development of agriculture, forestry and fisheries referred to in paragraph 3 of this Article, may include those which contribute to:

(a) investment in industries, including agro-based industries, with particular emphasis on those of a smaller or medium size;

(b) the transfer of resources from Australia and New Zealand to the Forum Island countries through joint ventures and other commercial arrangements;

(c) a greater degree of processing of raw materials produced in, and exported from, the Forum Island countries;

(d) scientific and technological co-operation and training directed towards the acquisition, adaption and development by the Forum Island countries of skills essential to their industrial and agricultural development;

(e) improvement of transport and communications, and other infrastructure associated with industrial and agricultural development; and

(f) closer co-operation, including the exchange of information, between firms and organisations contributing to the improvement and expansion of industrial and agricultural production.
ARTICLE IX

SPECIAL TREATMENT FOR SMALLER FORUM ISLAND COUNTRIES

In implementing this Agreement the particular trade problems and interests of Smaller Forum Island countries shall be taken into account and special treatment and special measures may be provided by the Government of Australia and the Government of New Zealand to enable individual Smaller Forum Island countries to overcome the specific difficulties and obstacles resulting from the exceptional nature of their needs and characteristics and to take full advantage of the opportunities offered by this Agreement. This shall not be deemed to exclude the eligibility of other Forum Island countries to receive special treatment as provided for in this Agreement to enable them to overcome special problems.

ARTICLE X

CONSULTATIONS

1. In addition to the procedures for consultation provided for elsewhere in this Agreement a Party may at any time request consultations on any matter related to the implementation of this Agreement.

2. Any such request shall be submitted in writing to the Director and shall be accompanied by a statement of the reasons for which the consultations are sought.

3. On receipt of a request for consultations the Director shall inform the Parties accordingly and arrange for consultations between interested Parties.

ARTICLE XI

INSTITUTIONAL ARRANGEMENTS

1. For the purposes of this Agreement a Regional Committee on Trade is hereby established, which shall be composed of a representative from each Party.

2. The Committee shall have the following functions:
   (a) to review the operation of this Agreement and to make necessary recommendations to the Forum;
   (b) to consider any matter relating to the implementation of this Agreement;
   (c) to review the Schedules; and
   (d) to report annually to the Forum through the Director.

3. Annual meetings shall be convened by the Director. Special meetings may be convened by the Director or by the Director at the request of the majority of the Parties. The Committee shall hold its first meeting not later than one year after the entry into force of this Agreement.

4. The Committee shall appoint a Chairman at its first meeting. The chairmanship shall rotate every year as decided by the Committee.

5. Decisions of the Committee shall be by consensus.

6. The Committee shall establish its own rules of procedure and may appoint sub-committees to assist in performing its functions.

7. The Director shall be responsible for the secretariat services for the Committee and other duties as specified in this Agreement.
ARTICLE XII

BILATERAL ARRANGEMENTS

The provisions of this Agreement shall be without prejudice to the bilateral commitments or arrangements which the Government of Australia and the Government of New Zealand have entered into with the Governments of the Forum Island countries, within the framework of special historical, constitutional or economic bilateral relationships.

ARTICLE XIII

AMENDMENT OF THE AGREEMENT

1. Without prejudice to the amendment of the Schedules of this Agreement which may be effected only in accordance with Articles IV and VII of this Agreement, this Agreement may be amended at any time by the unanimous agreement of all the Parties. The text of any amendment proposed by a Party shall be submitted to the Director who shall transmit it to the Parties.

2. If three or more Parties request a meeting to discuss the proposed amendment the Director shall call such a meeting.

ARTICLE XIV

ACCEPTANCE, ACCESSION AND ENTRY INTO FORCE

Acceptance and Accession

1. This Agreement shall be open for acceptance by signature subject to ratification or by accession by the Governments of Australia, the Cook Islands, Fiji, Kiribati, Nauru, New Zealand, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu and Western Samoa.

2. Any Government which from time to time becomes a member of the Forum may apply to become a Party by submitting a request for accession to this Agreement to the Director who shall notify all the Parties. A Government may accede to this Agreement after receipt of an invitation to do so issued by the Director with the approval of all the Parties.

3. Acceptance of or accession to this Agreement shall not be taken as extending the rights and obligations set forth in this Agreement to fully self-governing countries freely associated with the accepting or acceding Government, or to territories named by the accepting or acceding Government for whose international relations that Government is responsible.

4. Instruments signifying acceptance or accession shall be deposited with the Director.

5. This Agreement shall enter into force when either the Government of Australia or the Government of New Zealand and the Government of a Forum Island country have accepted it. For each other Government it shall enter into force on the thirtieth day following the date of acceptance of, or accession to, this Agreement by that Government.

6. The original of this Agreement shall be deposited with the Director who shall transmit to each Party a certified copy thereof and of each amendment thereto pursuant to Article XIII and a notification of each acceptance thereof or accession thereto pursuant to this Article, and of each withdrawal therefrom pursuant to Article XV.

2. The Agreement entered into force on 1 January 1981.
ARTICLE XV

WITHDRAWAL AND TERMINATION

1. If a Party wishes to withdraw from this Agreement, that Party shall give notice in writing of its wish to the Director, who shall thereupon inform the Parties. The Party giving notice shall cease to be a Party to this Agreement 30 days from the date on which the Director receives the notice, unless:

(a) in the meantime the notifying Party has withdrawn its notice, in which event that Party shall continue to be a Party to the Agreement; or

(b) the notifying Party is either the Government of Australia or the Government of New Zealand, in which event that Party shall cease to be a Party to this Agreement 180 days from the date on which the Director receives that Party’s notice.

2. This Agreement shall terminate 180 days after the date on which the Director receives notification of withdrawal from this Agreement from:

(a) the Government of Australia and the Government of New Zealand; or

(b) all other Parties.

IN WITNESS WHEREOF the undersigned, duly authorised by their respective governments, have signed this agreement.

DONE at Tarawa, Kiribati this 14th day of July One thousand nine hundred and eighty (1980).
A. Article III

ACCESS CONDITIONS

. Delete paragraph 1 and insert new paragraph as follows:

"1. Subject to the provisions of this Agreement the Government of Australia shall permit the duty free and unrestricted entry of all goods which originate in and are imported from Forum Island Countries, except those goods listed in Schedule A to this Agreement which shall be subject to such treatment as may be specified in the Australian Customs Act and the Australian Customs Tariff ".

. Amend paragraph 2 by deleting the words "Schedule 3" and inserting the words "Schedule B".

B. Article V

. Delete paragraph 1 and insert the following two paragraphs:

"1. Goods shall be treated by the Government of Australia as originating in the territory of a Forum Island country if those goods are:

(a) the unmanufactured raw products of a Forum Island country; or
(b) manufactured goods, in relation to which:

(i) the process last performed in the manufacture of the goods was performed in a Forum Island country; and
(ii) not less than 50 percent of the factory or works costs of the goods is represented by the value of labour or materials, or both, of:
(a) a Forum Island country; or
(b) a Forum Island country and one or more other Forum Island countries; or
(c) one or more Forum Island countries and Australia; or
(d) one or more Forum Island countries and New Zealand (subject to paragraph 2 of this Article); or
(e) one or more Forum Island countries, Australia and New Zealand (subject to paragraph 2 of this Article).

2. Before the provisions of sub paragraph (b) (ii) (d) or sub paragraph (b) (ii) (e) of paragraph 1 of this Article can be applied, the following additional requirements must be complied with:

(a) not less than 25 per cent of the factory or works costs of the goods is represented by the value of labour or materials, or both, of one or more Forum Island countries; and
(b) the products of New Zealand origin included in the goods consist of products traded free of duty and quantitative and other restrictions between Australia and New Zealand at the time of importation".

Renumber the existing paragraph 2 as paragraph 3. Delete existing sub-paragraph 2(b) and insert after renumbered sub-paragraph 3(a) the following new sub-paragraphs 3(b) and 3(c) :

(b) Goods partly manufactured in the territory of a Forum Island country subject to the following conditions:
   (i) that the process last performed in the manufacture of the goods was
performed in the territory of a Forum Island country; and
(ii) not less than 50% of the factory or works cost (as defined in the New Zealand Customs Regulations) of the goods in their unfinished state is represented by the value of labour or materials or both of:

(a) a Forum Island country; or
(b) a Forum Island country and one or more other Forum Island countries; or
(c) one or more Forum Island countries and New Zealand; or
(d) one or more Forum Island countries and Australia (subject to paragraph (c) of this Article); or
(e) one or more Forum Island countries, Australia and New Zealand (subject to paragraph (c) of this Article).

(c) Before the provisions of sub-paragraph (b)(ii)(d) or sub-paragraph (b)(ii)(e) of paragraph 3 can be applied, the following additional requirements must be complied with:

(i) not less than 25% of the factory or works costs of the goods is represented by the value of labour or materials, or both, of one or more Forum Island countries; and
(ii) the products of Australian origin included in the goods consist of products traded free of duty and quantitative restrictions between New Zealand and Australia at the time of importation.
Delete existing paragraph 3(a) and insert the following paragraph:

"4. (a) In special circumstances either the Government of Australia or the Government of New Zealand may determine that the expenditure referred to in paragraph 1 (b) (ii) of this Article in the case of the Government of Australia or paragraph 3 (b) (ii) of this Article in the case of the Government of New Zealand may be less than 50 percent of the factory or works costs of the goods in their finished state for particular goods or classes of goods. Any such determination may be applied to all such goods originating from the Forum Island countries or restricted to goods from individual Forum Island countries."

Renumber existing sub-paragraph 3(b) as sub-paragraph 4(b).

Renumber existing paragraph 4, as paragraph 5. In the renumbered paragraph 5 delete the words "paragraph 3" and insert "paragraph 4".

C. Article VI

Delete paragraph 1 and insert new paragraph as follows:

"General Exceptions
1. Provided that such measures are not used as a means of arbitrary or unjustifiable discrimination or as a disguised restriction on trade, nothing in this Agreement shall preclude the adoption or enforcement by the Government of Australia or the Government of New Zealand of measures:
   (a) necessary for the protection of its essential security interests;"
(b) necessary to protect public morals and the prevention of disorder or crime;
(c) necessary to protect human, animal or plant life or health;
(d) necessary to protect industrial property rights, copyrights or prevent unfair, deceptive or misleading practices;
(e) necessary to secure compliance with laws or regulations relating to customs enforcement, to tax avoidance and evasion and to foreign exchange control or for the application of standards or of regulations for the classification, grading or marketing of goods, or to the operation of recognised commodity marketing boards;
(f) relating to goods the importation of which is prohibited by law;
(g) relating to trade in gold and silver; or
(h) relating to obligations entered into in the context of multilateral or bilateral commodity agreements whilst taking account of any special needs and interests of Forum Island countries.

D. **Article VII**

. Delete paragraphs 1 to 7 of this Article and insert the following:

"AUSTRALIA

1. If, as a result of the application of this Agreement, goods are being imported into Australia in such quantities or under such conditions as to cause or threaten serious injury to domestic producers of like or directly competitive goods, the Government of Australia may, in respect of such goods, suspend its obligations to the extent and for such time as may be necessary to prevent or remedy such injury, bearing in mind the objectives of this Agreement."
2. Before taking action pursuant to paragraph 1 of this Article or to vary the treatment accorded goods listed in Schedule A, the Government of Australia shall apply the following procedures:

(a) The Government of Australia shall give notice in writing to the Director who shall inform the other Parties of the action proposed.

(b) The Government of Australia shall afford those Governments of Forum Island countries which have an interest as exporters of the product concerned an opportunity to consult with respect to the proposed action. Such consultations shall be held within a period of 90 days of the receipt by the Director of the notification by the Government of Australia of the proposed action.

(c) If a mutually satisfactory solution is reached through the application of the procedures provided for in sub-paragraphs (a) and (b) of this paragraph, the Director shall notify the parties of any decision to modify Schedule A to this Agreement and the date on which that modification shall take effect.

(d) If a mutually satisfactory solution is not reached within a period of 90 days from the commencement of the consultations referred to in sub-paragraph (b) of this paragraph, the Government of Australia shall advise the Director of its decision, upon which the Director shall advise all the parties. Before taking this action, the Government of Australia shall ensure that:

   (i) an inquiry has been held by an Australian assistance advisory body; and
(ii) all the Governments of Forum Island countries are given prior notice of the terms of the inquiry.

3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, the Government of Australia may suspend its obligations in the manner referred to in paragraph 1 of this Article without prior consultation where, in its opinion, the circumstances are so critical that delay would cause severe difficulty before consultations provided for in sub-paragraph 2(b) of this Article could be held. In taking provisional action under this paragraph, the Government of Australia shall provide urgent written advice of the action taken to the Director who shall notify the other Parties.

4. Any action taken under the provisions of paragraph 3 of this Article shall cease to have effect 90 days after the implementation of the action, unless, within that period, the government of Australia has afforded the Governments of interested Forum Island countries the opportunity to consult with it on the matter and has:
   (i) undertaken to hold a prompt inquiry by an Australian assistance advisory body; and
   (ii) informed the Governments of the Forum Island countries of the terms of the inquiry."

. Renumber the existing paragraphs 8 to 12 as paragraphs 5 to 9.

E. The Schedules

. Delete present "Schedules 1 and 2" and insert "Schedule A - Australia".

. Amend the title of present "Schedule 3" to read "Schedule B - New Zealand".
APPENDIX C. 6

SOUTH PACIFIC FORUM FISHERIES AGENCY CONVENTION
South Pacific Forum
Fisheries Agency

CONVENTION

The Governments Comprising the South Pacific Forum

Noting the Declaration on Law of the Sea and a Regional Fisheries Agency adopted at the 8th South Pacific Forum held in Port Moresby in August 1977;

Recognising their common interest in the conservation and optimum utilisation of the living marine resources of the South Pacific region and in particular of the highly migratory species;

Desiring to promote regional co-operation and co-ordination in respect of fisheries policies;

Bearing in mind recent developments in the law of the sea;

Concerned to secure the maximum benefits from the living marine resources of the region for their peoples and for the region as a whole and in particular the developing countries; and

Desiring to facilitate the collection, analysis, evaluation and dissemination of relevant statistical and economic information about the living marine resources of the region, and in particular the highly migratory species;

Have agreed as follows:

Article 1

Agency

1. There is hereby established a South Pacific Forum Fisheries Agency.

2. The Agency shall consist of a Forum Fisheries Committee and a Secretariat.
3. The seat of the Agency shall be at Honiara, Solomon Islands.

Article II

Membership

Membership of the Agency shall be open to:
(a) members of the South Pacific Forum
(b) other states or territories in the region on the recommendation of the Committee and with the approval of the Forum.

Article III

Recognition of Coastal States’ Rights

1. The Parties to this Convention recognise that the coastal state has sovereign rights, for the purpose of exploring and exploiting, conserving and managing the living marine resources, including highly migratory species, within its exclusive economic zone or fishing zone which may extend 200 nautical miles from the baseline from which the breadth of its territorial sea is measured.
2. Without prejudice to Paragraph (1) of this Article the Parties recognise that effective co-operation for the conservation and optimum utilisation of the highly migratory species of the region will require the establishment of additional international machinery to provide for co-operation between all coastal states in the region and all states involved in the harvesting of such resources.

Article IV

Committee

1. The Committee shall hold a regular session at least once every year. A special session shall be held at any time at the request of at least four Parties. The Committee shall endeavour to take decisions by consensus.
2. Where consensus is not possible each Party shall have one vote and decisions shall be taken by a two-thirds majority of the Parties present and voting.
3. The Committee shall adopt such rules of procedure and other internal administrative regulations as it considers necessary.
4. The Committee may establish such sub-committees, including technical and budget sub-committees as it may consider necessary.
5. The South Pacific Bureau for Economic Co-operation (SPEC) may participate in the work of the Committee. States, territories and other international organisations may participate as observers in accordance with such criteria as the Committee may determine.
Article V

Functions of the Committee

1. The functions of the Committee shall be as follows:
   (a) to provide detailed policy and administrative guidance and direction to the Agency;
   (b) to provide a forum for Parties to consult together on matters of common concern in the field of fisheries;
   (c) to carry out such other functions as may be necessary to give effect to this Convention.

2. In particular the Committee shall promote intra-regional coordination and co-operation in the following fields:
   (a) harmonisation of policies with respect to fisheries management;
   (b) co-operation in respect of relations with distant water fishing countries;
   (c) co-operation in surveillance and enforcement;
   (d) co-operation in respect of onshore fish processing;
   (e) co-operation in marketing;
   (f) co-operation in respect of access to the 200 mile zones of other Parties.

Article VI

Director, Staff and Budget

1. The Committee shall appoint a Director of the Agency on such conditions as it may determine.

2. The Committee may appoint a Deputy Director of the Agency on such conditions as it may determine.

3. The Director may appoint other staff in accordance with such rules and on such conditions as the Committee may determine.

4. The Director shall submit to the Committee for approval:
   (a) an annual report on the activities of the Agency for the preceding year;
   (b) a draft work programme and budget for the succeeding year.

5. The approved report, budget and work programme shall be submitted to the Forum.

6. The budget shall be financed by contributions according to the shares set out in the Annex to this Convention. The Annex shall be subject to review from time to time by the Committee.

7. The Committee shall adopt financial regulations for the administration of the finances of the Agency. Such regulations may authorise the Agency to accept contributions from private or public sources.
8. All questions concerning the budget of the Agency, including contributions to the budget, shall be determined by the Committee.

9. In advance of the Committee's approval of the budget, the Agency shall be entitled to incur expenditure up to a limit not exceeding two-thirds of the preceding year's approved budgetary expenditure.

Article VII

Functions of the Agency

Subject to direction by the Committee the Agency shall:

(a) collect, analyse, evaluate and disseminate to Parties relevant statistical and biological information with respect to the living marine resources of the region and in particular the highly migratory species;

(b) collect and disseminate to Parties relevant information concerning management procedures, legislation and agreements adopted by other countries both within and beyond the region;

(c) collect and disseminate to Parties relevant information on prices, shipping, processing and marketing of fish and fish products;

(d) provide, on request, to any Party technical advice and information, assistance in the development of fisheries policies and negotiations, and assistance in the issue of licences, the collection of fees or in matters pertaining to surveillance and enforcement;

(e) seek to establish working arrangements with relevant regional and international organisations, particularly the South Pacific Commission; and

(f) undertake such other functions the Committee may decide.

Article VIII

Legal Status, Privileges and Immunities

1. The Agency shall have legal personality and in particular the capacity to contract, to acquire and dispose of movable and immovable property and to sue and be sued.

2. The Agency shall be immune from suit and other legal process and its premises, archives and property shall be inviolable.

3. Subject to approval by the Committee the Agency shall promptly conclude an agreement with the Government of Solomon Islands providing for such privileges and immunities as may be necessary for the proper discharge of the functions of the Agency.
**Article IX**

**Information**

The Parties shall provide the Agency with available and appropriate information including:

(a) catch and effort statistics in respect of fishing operations in waters under their jurisdiction or conducted by vessels under their jurisdiction;

(b) relevant laws, regulations and international agreements;

(c) relevant biological and statistical data; and

(d) action with respect to decisions taken by the Committee.

**Article X**

**Signature, Accession, Entry into Force**

1. This Convention shall be open for signature by members of the South Pacific Forum.

2. This Convention is not subject to ratification and shall enter into force 30 days following the eighth signature. Thereafter it shall enter into force for any signing or acceding state thirty days after signature or the receipt by the depositary of an instrument of accession.

3. This Convention shall be deposited with the Government of Solomon Islands (herein referred to as the depositary) who shall be responsible for its registration with the United Nations.

4. States or territories admitted to membership of the Agency in accordance with Article II(b) shall deposit an instrument of accession with the depositary.

5. Reservations to this Convention shall not be permitted.

**Article XI**

**Withdrawal and Amendment**

1. Any Party may withdraw from this Convention by giving written notice to the depositary. Withdrawal shall take effect one year after receipt of such notice.

2. Any Party may propose amendments to the Convention for consideration by the Committee. The text of any amendment shall be adopted by a unanimous decision. The Committee may determine the procedures for the entry into force of amendments to this Convention.
APPENDIX C. 7

TREATY ON FISHERIES BETWEEN THE GOVERNMENTS OF CERTAIN PACIFIC ISLANDS STATES AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA
ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 In this Treaty:

(a) "Administrator" means that person or organization designated by the Pacific Island parties to act as such on their behalf pursuant to this Treaty and notified to the Government of the United States;

(b) "final judgment" means a judgment from which no appeal proceedings have been initiated within sixty days;

(c) "fishing" means:

(i) searching for, catching, taking or harvesting fish;

(ii) attempting to search for, catch, take or harvest fish;

(iii) engaging in any other activity which can reasonably be expected to result in the locating, catching, taking or harvesting of fish;

(iv) placing, searching for or recovering fish aggregating devices or associated electronic equipment such as radio beacons;

(v) any operations at sea directly in support of, or in preparation for any activity described in this paragraph; or

(vi) aircraft use, relating to the activities described in this paragraph except for flights in emergencies involving the health or safety of crew members or the safety of a vessel;
(d) "fishing vessel of the United States" or "vessel" means any boat, ship or other craft which is used for, equipped to be used for, or of a type normally used for commercial fishing, which is documented under the laws of the United States;

(e) "Licensing Area" means all waters in the Treaty Area except for:

(i) waters subject to the jurisdiction of the United States in accordance with international law; and

(ii) waters closed to fishing by fishing vessels of the United States in accordance with Annex I;

(f) "operator": means any person who is in charge of, directs or controls a vessel, including the owner, charterer and master;

(g) "Pacific Island party" means a Pacific Island State party to this Treaty and "Pacific Island parties" means all such States from time to time;

(h) "Pacific Island State" means a party to the South Pacific Forum Fisheries Agency Convention, 1979;

(i) "party" mean a State party to this Treaty, and "parties" means all such States, from time to time;

(j) "this Treaty" means this Treaty, its Annexes and Schedules; and

(k) "Treaty Area" means all waters north of 60 degrees South latitude and east of 90 degrees East longitude, subject to the fisheries jurisdiction of Pacific Island parties, and all other waters within rhumb lines connecting the following geographic co-ordinates, designated for the purposes of this Treaty, except for waters subject to the jurisdiction in accordance with international law of a State which is not a party to this Treaty.

\[
\begin{array}{ll}
2°35'30"S & 141°00'00"E \\
1°01'35"N & 140°48'35"E \\
1°01'35"N & 129°30'00"E \\
10°00'00"N & 129°30'00"E \\
14°00'00"N & 140°00'00"E \\
14°00'00"N & 142°00'00"E \\
12°30'00"N & 142°00'00"E \\
12°30'00"N & 158°00'00"E \\
15°00'00"N & 158°00'00"E \\
15°00'00"N & 165°00'00"E \\
18°00'00"N & 165°00'00"E \\
18°00'00"N & 174°00'00"E \\
12°00'00"N & 174°00'00"E \\
12°00'00"N & 176°00'00"E \\
5°00'00"N & 176°00'00"E \\
1°00'00"N & 180°00'00" \\
1°00'00"N & 164°00'00"W \\
8°00'00"N & 164°00'00"W \\
8°00'00"N & 158°00'00"W \\
0°00'00" & 150°00'00"W \\
6°00'00"S & 150°00'00"W \\
6°00'00"S & 146°00'00"W \\
12°00'00"S & 146°00'00"W \\
26°00'00"S & 157°00'00"W \\
26°00'00"S & 174°00'00"W \\
40°00'00"S & 174°00'00"W
\end{array}
\]
1.2. Nothing in this Treaty shall be deemed to affect the applicability of any provision of a Pacific Island party’s law which is not identified or otherwise described in this Treaty.

ARTICLE 2

BROADER COOPERATION

2.1 The Government of the United States shall, as appropriate, cooperate with the Pacific Island parties through the provision of technical and economic support to assist the Pacific Island parties to achieve the objective of maximizing benefits from the development of their fisheries resources.

2.2 The Government of the United States shall, as appropriate, promote the maximization of the benefits generated for the Pacific Island parties from the operations of fishing vessels of the United States licensed pursuant to this Treaty, including:

(a) the use of canning, transhipment, slipping and repair facilities located in the Pacific Island parties;

(b) the purchase of equipment and supplies, including fuel supplies, from suppliers located in the Pacific Island parties; and

(c) the employment of nationals of the Pacific Island parties on board licensed fishing vessels of the United States.

ARTICLE 3

ACCESS TO THE TREATY AREA

3.1 Fishing vessels of the United States shall be permitted to engage in fishing in the Licensing Area in accordance with the terms and conditions referred to in Annex I and licences issued in accordance with the procedures set out in Annex II.

3.2 It shall be a condition of any licence issued pursuant to this Treaty that the vessel in respect of which the licence is issued is operated in accordance with the requirements of Annex I. No fishing vessel of the United States shall be used for fishing in the Licensing Area without a licence issued in accordance with Annex II or in waters closed to fishing pursuant to Annex I, except in accordance with paragraph 3 of this Article, or unless the vessel is used for fishing albacore tuna by the trolling method in high seas areas of the Treaty Area.

3.3 A Pacific Island party may permit fishing vessels of the United States to engage in fishing in waters under the jurisdiction of that party which are:

(a) within the Treaty Area but outside the Licensing Area;

(b) except for purse seine vessels, within the Licensing Area but otherwise than in accordance with the terms and conditions referred to in Annex I,
in accordance with such terms and conditions as may be agreed from time to time with the owners of the said vessels or their representatives. In such a case, if the Pacific Island party gives notice to the Government of the United States of such arrangements, and if the Government of the United States concurs, the procedures of Articles 4 and 5.6 shall be applicable to such arrangements.

ARTICLE 4

FLAG STATE RESPONSIBILITY

4.1 The Government of the United States shall enforce the provisions of this Treaty and licences issued thereunder. The Government of the United States shall take the necessary steps to ensure that nationals and fishing vessels of the United States refrain from fishing in the Licensing Area and in waters closed to fishing pursuant to Annex I, except as authorized in accordance with Article 3.

4.2 The Government of the United States shall, at the request of the Government of a Pacific Island party, take all reasonable measures to assist that party in the investigation of an alleged breach of this Treaty by a fishing vessel of the United States and promptly communicate all the requested information to that party.

4.3 The Government of the United States shall ensure that:

(a) each fishing vessel of the United States licensed pursuant to this Treaty is fully insured against all risks and liabilities;

(b) all measures are taken to facilitate:

(i) any claim arising out of the activities of a fishing vessel of the United States, including a claim for the total market value of any fish taken from the Licensing Area without authorization pursuant to this Treaty, and the prompt settlement of that claim;

(ii) the service of legal process by or on behalf of a national or the Government of a Pacific Island party in any action arising out of the activities of a fishing vessel of the United States;

(iii) the prompt and full adjudication in the United States of any claim made pursuant to this Treaty;

(iv) the prompt and full satisfaction of any final judgment or other final determination made pursuant to this Treaty; and

(v) the provision of a reasonable level of financial assurances, if, after consultation with the Government of the United States, all Pacific Island parties agree that the collection of any civil or criminal judgment or judgments or determination or determinations made pursuant to this Treaty has become a serious enforcement problem;

(c) an amount equivalent to the total value of any forfeiture, fine, penalty or other amount collected by the Government of the United States incurred as a result of any actions, judicial or otherwise, taken pursuant to this Article is paid to the Administrator as soon as possible following the date that the amount is collected.

4.4 The Government of the United States shall, at the request of the Government of a Pacific Island party, fully investigate any alleged infringement of this Treaty involving a vessel of the United States, and report as soon as practicable and in any case within two months to that Government on that investigation and on any action taken or proposed to be taken by the Government of the United States in relation to the alleged infringement.
4.5 In the event that a report provided pursuant to paragraph 4 of this Article shows that a fishing vessel of the United States:

(a) while fishing in the Licensing Area did not have a licence to fish in the Licensing Area, except in accordance with paragraph 2 of article 3; or

(b) was involved in any incident in which an authorized officer or observer was allegedly assaulted with resultant bodily harm, physically threatened, forcefully resisted, refused boarding or subjected to physical intimidation or physical interference in the performance of his or her duties as authorized pursuant to this Treaty; or

that there was probable cause to believe that a fishing vessel of the United States:

(c) was used for fishing in waters closed to fishing pursuant to Annex I, except as authorized in accordance with paragraph 3 of Article 3;

(d) was used for fishing in any Limited Area as described in Annex I, except as authorized in accordance with that Annex;

(e) was used for fishing by any method other than the purse seine method, except in accordance with paragraph 2 of Article 3;

(f) was used for directed fishing for Southern Bluefin Tuna or for fishing for any kinds of fish other than tunas, except that other kinds of fish may be caught as an incidental by-catch;

(g) used an aircraft for fishing which was not identified on a form provided pursuant to Schedule 1 of Annex II in relation to that vessel; or

(h) was involved in an incident in which evidence which otherwise could have been used in proceedings concerning the vessel has been intentionally destroyed;

and that such vessel has not submitted to the jurisdiction of the Pacific Island party concerned, the Government of the United States shall, at the request of that party, take all necessary measures to ensure that the vessel concerned leaves the Licensing Area and waters closed to fishing pursuant to Annex I immediately and does not return except for the purpose of submitting to the jurisdiction of the party, or after action has been taken by the Government of the United States to the satisfaction of that party.

4.6 In the event that a report provided pursuant to paragraph 4 of this Article shows that a fishing vessel of the United States has been involved in a probable infringement of this Treaty, including an infringement of an applicable national law as identified in Schedule 1 of Annex I, other than an infringement of the kind described in paragraph 5 of this Article, and that the vessel has not submitted to the jurisdiction of the Pacific Island party concerned, the Government of the United States shall, at the request of that party, take all necessary measures to ensure that the vessel concerned:

(a) submits to the jurisdiction of that party; or

(b) is penalized by the Government of the United States at such level as may be provided for like violations in United States law relating to foreign fishing vessels licensed to fish in the exclusive economic zone of the United States but not to exceed the sum of US$250,000.

4.7 Financial assurances provided pursuant to this Treaty may be drawn against by any Pacific Island party to satisfy any civil or criminal judgment or other determination in favour of a national or the Government of a Pacific Island party.

4.8 Prior to instituting any legal proceedings pursuant to this Article concerning an alleged infringement of this Treaty in waters within the jurisdiction, for any purpose, as recognized by international law, of a Pacific Island party, the Government of the United States shall notify the Government of that Pacific Island party that such proceedings shall be instituted. Such notice shall include a statement of the facts believed to show an
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infringement of this Treaty and the nature of the proposed proceedings, including the proposed charges and the proposed penalties to be sought. The Government of the United States shall not institute such proceedings if the Government of that Pacific Island party objects within 30 days of the effective date of such notice.

4.9 The Government of the United States shall ensure that an agent is appointed and maintained in accordance with the requirements of subparagraphs (a) and (b) of this paragraph, with authority to receive and respond to any legal process issued by a Pacific Island party in respect of an operator of any fishing vessel of the United States (identified in the form set out in Schedule 1 of Annex II) and shall notify the Administrator of the name and address of such agent, who:

(a) shall be located in Port Moresby for the purpose of receiving and responding to any legal process issued in accordance with this Article; and

(b) shall, within 21 days of notification that legal process has been issued in accordance with this Article, travel to any Pacific Island party, at no expense to that party, for the purpose of receiving and responding to that process.

ARTICLE 5

COMPLIANCE POWERS

5.1 It is recognized that the respective Pacific Island parties may enforce the provisions of this Treaty and licences issued thereunder, including arrangements made pursuant to Article 3.3 and licences issued thereunder, in waters under their respective jurisdiction,

5.2 The Government of the Pacific Island parties shall promptly notify the Government of the United States of any arrest of a fishing vessel of the United States or any of its crew and of any charges filed or proceedings instituted following the arrest, in accordance with this Article.

5.3 Fishing vessels of the United States and their crews arrested for breach of this Treaty shall be promptly released upon the posting of a reasonable bond or other security. Penalties applied in accordance with this Treaty for fishing violations shall not be unreasonable in relation to the offence and shall not include imprisonment or corporal punishment.

5.4 The Government of the United States shall not apply sanctions of any kind including deductions, however effected, from any amounts which might otherwise have been paid to any Pacific Island party, and restrictions on trade with any Pacific Island party, as a result of any enforcement measure taken by a Pacific Island party in accordance with this Article.

5.5 The Governments of the parties shall adopt and inform the other parties of such provisions in their national laws as may be necessary to give effect to this Treaty.

5.6 Where legal proceedings have been instituted by the Government of the United States pursuant to Article 4, no Pacific Island party shall proceed with any legal action in respect of the same alleged infringement as long as such proceedings are maintained. Where penalties are levied or proceedings are otherwise concluded by the Government of the United States pursuant to Article 4, the Pacific Island party which has received notice of such final determination shall withdraw any legal charges or proceedings in respect of the same alleged infringement.

5.7 During any period in which a party is investigating any infringement of this Treaty involving a fishing vessel of the United States, being an infringement which is alleged to have taken place in waters within the jurisdiction, for any purpose, as recognized by international law, of a Pacific Island party, and if that Pacific Island party so notifies the other parties, any licence issued in respect of that vessel shall, for the purposes of Article 3, be deemed not to authorise fishing in the waters of that Pacific Island party.

5.8 If full payment of any amount due as a result of a final judgment or other final determination deriving from an occurrence in waters within the jurisdiction, for any purpose, of a Pacific Island party, is not made to
that party within sixty (60) days, the licence for the vessel involved shall be suspended at the request of that
party and that vessel shall not be authorized to fish in the Licensing Area until that amount is paid to that party.

ARTICLE 6
CONSULTATIONS AND DISPUTE SETTLEMENT

6.1 At the request of any party, consultations shall be held with any other party within sixty (60) days of
the date of receipt of the request. All other parties shall be notified of the request for consultations and any
party shall be permitted to participate in such consultations.

6.2 Any dispute between the Government of the United States and the Government of one or more Pacific
Island parties in relation to or arising out of this Treaty may be submitted by any such party to an arbitral
tribunal for settlement by arbitration no earlier than one hundred and twenty (120) days following a request for
consultations under Article 6.1. Unless the parties to the dispute agree otherwise, the Arbitration Rules of the
United Nations Commission on International Trade Law as at present in force shall be used.

6.3 The Government or Governments of the Pacific Island party or parties to the dispute shall appoint one
arbitrator and the Government of the United States shall appoint one arbitrator. The third arbitrator, who shall
act as presiding arbitrator of the tribunal, shall be appointed by agreement of the parties to the dispute. In the
event of a failure to appoint any arbitrator within the time period provided in the Rules, the arbitrator shall be
appointed by the Secretary General of the Permanent Court of Arbitration at The Hague.

6.4 Unless the parties to the dispute agree otherwise, the place of arbitration shall be Port Moresby. The
tribunal may hold meetings at such other place or places within the territory of a Pacific Island party or
elsewhere within the Pacific Islands region as it may determine. An award or other decision shall be final and
binding on the parties to the arbitration, and, unless the parties agree otherwise, shall be made public. The
parties shall promptly carry out any award or other decision of the tribunal.

6.5 The fees and expenses of the tribunal shall be paid half by the Government or Government of the
Pacific Island party or parties to the arbitration and half by the Government of the United States, unless the
parties to the arbitration agree otherwise.

ARTICLE 7
REVIEW OF THE TREATY

7. The parties shall meet once each year for the purpose of reviewing the operation of this Treaty.

ARTICLE 8
AMENDMENT OF THE TREATY

8. The following procedures shall apply to the adoption and entry into force of any amendment to this
Treaty.

(a) Any party may propose amendments to this Treaty.

(b) A proposed amendment shall be notified to the depositary not less than forty five (45) days
before the meetings at which the proposed amendment will be considered.

(c) The depositary shall promptly notify all parties of such proposal.

(d) The parties shall consider proposed amendments to this Treaty at the annual meeting described
in Article 7, or at any other time that may be agreed by all parties.
Any amendment to this Treaty shall be adopted by the approval of all the parties, and shall enter into force upon receipt by the depositary of instruments of ratification, acceptance or approval by the parties.

The depositary shall promptly notify all parties of the entry into force of the amendment.

ARTICLE 9
AMENDMENT OF ANNEXES

9. The following procedures may apply to the adoption and entry into force of any amendment to an Annex of this Treaty, at the request of the party proposing the amendment, in lieu of the procedure set out in Article 8, unless otherwise provided in the Annex.

(a) Any party may propose amendment to an Annex of this Treaty at any time by notifying such proposal to the depositary, which shall promptly notify all parties of the proposed amendment.

(b) A party approving a proposed amendment to an Annex shall notify its acceptance to the depositary, which shall promptly notify all the parties of each acceptance. Upon receipt by the depositary of notices of acceptance from all parties, such amendment shall be incorporated in the appropriate Annex and shall have effect from that date, or from such other date as may be specified in such amendment. The depositary shall promptly notify all parties of the adoption of the amendment and its effective date.

ARTICLE 10
NOTIFICATION

10.1 The Administrator and each party shall notify the depositary of their current addresses for the receipt of notices given pursuant to this Treaty, and the depositary shall notify the Administrator and each of the parties of such addresses or any changes thereof. Unless otherwise specified in this Treaty, any notice given in accordance with this Treaty shall be in writing and may be served by hand or sent by telex or, where either method cannot readily be effected, by registered airmail to the address of the party or the Administrator as currently listed with the depositary.

10.2 Delivery by hand shall be effective when made. Delivery shall be deemed to be effective on the business day following the day when the "answer back" appears on the sender's telex machine. Delivery by registered airmail shall be deemed to be effective twenty-one (21) days after posting.

ARTICLE 11
DEPOSITARY

11. The depositary for the Treaty shall be the Government of Papua New Guinea.

ARTICLE 12
FINAL CLAUSES

12.1 This Treaty shall be open for signature by the Governments of all the Pacific Island States and the Government of the United States of America.

12.2 This Treaty is subject to ratification by the States referred to in paragraph 1 of this Article. The instruments of ratification shall be deposited with the depositary.
12.3 This Treaty shall remain open for accession by States referred to in paragraph 1 of this Article. The instruments of accession shall be deposited with the depositary.

12.4 This Treaty shall enter into force upon receipt by the depositary of instruments of ratification by the Government of the United States and by the Governments of ten Pacific Island States which shall include the Federated States of Micronesia, the Republic of Kiribati and Papua New Guinea.

12.5 This Treaty shall enter into force for any State ratifying or acceding after the entry into force of this Treaty on the thirtieth day after the date on which its instrument of ratification or accession is received by the depositary.

12.6 This Treaty shall cease to have effect at the expiry of one year following the receipt by the depositary of an instrument signifying withdrawal or denunciation by the United States, any of the Pacific Island States named in Article 12.4, or such number of Pacific Islands States as would leave fewer than ten such States as parties.

12.7 This Treaty shall cease to have effect for a party at the expiry of the sixth month following the receipt by the depositary of an instrument signifying withdrawal or denunciation by that party, except that where this Treaty would cease to have effect under the last preceding paragraph as the result of the receipt of the said instrument, it shall cease to have effect for that party in the manner provided in the last preceding paragraph.

12.8 Any licence in force pursuant to this Treaty shall not cease to have effect as a result of this Treaty ceasing to have effect either generally or for any party, and Article 1, 3, 4 and 5 shall be regarded as continuing in force between the United States and the Pacific Island State party in respect of such licence until such licence expires in accordance with its terms.

12.9 No reservations may be made to this Treaty.

12.10 Paragraph 9 of this Article does not preclude a State, when signing, ratifying or acceding to this Treaty, from making declarations or statements, provided that such declarations or statements do not purport to exclude or modify the legal effect of the provisions of this Treaty in their application to that State.

DONE at Port Moresby on the Second day of April 1987

REPRESENTATIVES OF THE GOVERNMENTS OF

John Kerin                                            Edward Wolfe
AUSTRALIA                                            John Negroponte
Pupuke Ropati                                        UNITED STATES OF AMERICA
COOK ISLANDS
Andon Amaraich
FEDERATED STATES OF
MICRONESIA
Robin Yarrow
FIJI
Teeewe Arobati
REPUBLIC OF KIRIBATI
Charles Dominick
REPUBLIC OF THE MARSHALL ISLANDS
Hammer De Roburt
REPUBLIC OF NAURU

Gerald McGhie
NEW ZEALAND

NIUE

REPUBLIC OF PALAU

Edward Diro
PAPUA NEW GUINEA

Sir Peter Kenilorea
SOLOMON ISLANDS

KINGDOM OF TONGA

Lale Seluka
TUVALU

REPUBLIC OF VANUATU

Fuimaono Mimio
WESTERN SAMOA
APPENDIX C. 8

CONVENTION ON THE PROHIBITION OF FISHING
WITH LONG DRIFTNET IN THE SOUTH PACIFIC REGION
The Parties to this Convention,

RECOGNISING the importance of marine living resources to the people of the South Pacific region;

PROFOUNDLY CONCERNED at the damage now being done by pelagic driftnet fishing to the albacore tuna resource and to the environment and economy of the South Pacific region;

CONCERNED ALSO for the navigational threat posed by driftnet fishing;

NOTING that the increasing fishing capacity induced by large scale driftnet fishing threatens the fish stocks in the South Pacific;

**Article 1**

**DEFINITIONS**

(a) the "Convention Area",

(i) subject to sub-paragraph (ii) of this paragraph, shall be the area lying within 10 degrees North latitude and 50 degrees South latitude and 130 degrees East longitude and 120 degrees West longitude, and shall also include all waters under the fisheries jurisdiction of any Party to this Convention;

(ii) In the case of a State or Territory which is Party to the Convention by virtue of paragraph 1(b) or 1(c) of Article 10, it shall include only waters under the fisheries jurisdiction of that Party, adjacent to the Territory referred to in paragraph 1(b) or 1(c) of Article 10;

(b) "driftnet" means a gillnet or other net or a combination of nets which is more than 2.5 kilometres in length the purpose of which is to enmesh, entrap or entangle fish by drifting on the surface of or in the water;

(c) "driftnet fishing activities" means:

(i) catching, taking or harvesting fish with the use of a driftnet;

(ii) attempting to catch, take or harvest fish with the use of a driftnet;

(iii) engaging in any other activity which can reasonably be expected to result in the catching, taking or harvesting of fish with the use of a driftnet, including searching for and locating fish to be taken by that method;

(iv) any operations at sea in support of, or in preparation for any activity described in this paragraph, including operations of placing, searching for or recovering fish aggregating devices or associated electronic equipment such as radio beacons;

(v) aircraft use, relating to the activities described in this paragraph, except for flights in emergencies involving the health or safety of crew members or the safety of a vessel, or

(vi) transporting, transshipping and processing any driftnet catch, and cooperation in the provision of food, fuel and other supplies for vessels equipped for or engaged in driftnet fishing;
(d) the "FFA" means the South Pacific Forum Fisheries Agency; and

(e) "fishing vessel" means any vessel or boat equipped for or engaged in searching for, catching, processing or transporting fish or other marine organisms.

Article 2

MEASURES REGARDING NATIONALS AND VESSELS

Each Party undertakes to prohibit its nationals and vessels documented under its laws from engaging in driftnet fishing activities within the Convention Area.

Article 3

MEASURES AGAINST DRIFTNET FISHING ACTIVITIES

(1) Each Party undertakes:

(a) not to assist or encourage the use of driftnets within the Convention Area; and

(b) to take measures consistent with international law to restrict driftnet fishing activities within the Convention Area, including but not limited to:

(i) prohibiting the use of driftnets within areas under its fisheries jurisdiction; and

(ii) prohibiting the transhipment of driftnet catches within areas under its jurisdiction.

(2) Each Party may also take measures consistent with international law to:

(a) prohibit the landing of driftnet catches within its territory;

(b) prohibit the processing of driftnet catches in facilities under its jurisdiction;

(c) prohibit the importation of any fish or fish product, whether processed or not, which was caught using a driftnet;

(d) restrict port access and port servicing facilities for driftnet fishing vessels; and

(e) prohibit the possession of driftnets on board any fishing vessel within areas under its fisheries jurisdiction.

(3) Nothing in this Convention shall prevent a Party from taking measures against driftnet fishing activities which are stricter than those required by the Convention.

Article 4

ENFORCEMENT

(1) Each Party shall take appropriate measures to ensure the application of the provisions of this Convention.

(2) The Parties undertake to collaborate to facilitate surveillance and enforcement of measures taken by Parties pursuant to this Convention.

(3) The Parties undertake to take measures leading to the withdrawal of good standing on the Regional Register of Foreign Fishing Vessels maintained by the FFA against any vessel engaging in driftnet fishing activities.
Article 5

CONSULTATION WITH NON-PARTIES

(1) The Parties shall seek to consult with any State which is eligible to become a Party to this Convention on any matter relating to drift net fishing activities which appear to affect adversely the conservation of marine living resources within the Convention Area or the implementation of the Convention or its Protocols.

(2) The Parties shall seek to reach agreement with any State referred to in paragraph 1 of this Article, concerning the prohibitions established pursuant to Articles 2 and 3.

Article 6

INSTITUTIONAL ARRANGEMENTS

(1) The FFA shall be responsible for carrying out the following functions:

(a) the collection, preparation and dissemination of information on drift net fishing activities within the Convention Area;

(b) the facilitation of scientific analyses on the effects of drift net fishing activities within the Convention Area, including consultations with appropriate regional and international organisations; and

(c) the preparation and transmission to the Parties of an annual report on any drift net fishing activities within the Convention Area and the measures taken to implement this Convention or its Protocols.

(2) Each Party shall expeditiously convey to the FFA:

(a) information on the measures adopted by it pursuant to the implementation of the Convention; and

(b) information on, and scientific analyses on the effects of, drift net fishing activities relevant to the Convention Area.

(3) All Parties, including States or Territories not members of the FFA and the FFA shall cooperate to promote the effective implementation of this Article.

Article 7

REVIEW AND CONSULTATION AMONG PARTIES

(1) Without prejudice to the conduct of consultations among Parties by other means, the FFA, at the request of three Parties, shall convene meetings of the Parties to review the implementation of this Convention and its Protocols.

(2) Parties to the Protocols shall be invited to any such meeting and to participate in a manner to be determined by the Parties to the Convention.

Article 8

CONSERVATION AND MANAGEMENT MEASURES

Parties to this Convention shall cooperate with each other and with appropriate distant water fishing nations and other entities or organisations in the development of conservation and management measures for South Pacific albacore tuna within the Convention Area.
Article 9

PROTOCOLS

This Convention may be supplemented by Protocols or associated instruments to further its objectives.

Article 10

SIGNATURE, RATIFICATION AND ACCESSION

(1) This Convention shall be open for signature by:

(a) any member of the FFA; and

(b) any State in respect of any Territory situated within the Convention Area for which it is internationally responsible; or

(c) any Territory situated within the Convention Area which has been authorised to sign the Convention and to assume rights and obligations under it by the Government of the State which is internationally responsible for it.

(2) This Convention is subject to ratification by members of the FFA and the other States and Territories referred to in paragraph 1 of this Article. The instruments of ratification shall be deposited with the Government of New Zealand which shall be the Depositary.

(3) This Convention shall remain open for accession by the members of the FFA and the other States and Territories referred to in paragraph 1 of this Article. The instruments of accession shall be deposited with the Depositary.

Article 11

RESERVATIONS

This Convention shall not be subject to reservations.

Article 12

AMENDMENTS

(1) Any Party may propose amendments to this Convention.

(2) Amendments shall be adopted by consensus among the Parties.

(3) Any amendments adopted shall be submitted by the Depositary to all parties for ratification, approval or acceptance.

(4) An amendment shall enter into force thirty days after receipt by the Depositary of instruments of ratification, approval or acceptance from all Parties.

Article 13

ENTRY INTO FORCE

(1) This Convention shall enter into force on the date of deposit of the fourth instrument of ratification or accession.

(2) For any member of the FFA or a State or Territory which ratifies or accedes to this Convention after the date of deposit of the fourth instrument of ratification or accession, the Convention shall enter into force
on the date of deposit of its instrument of ratification or accession.

**Article 14**

CERTIFICATION AND REGISTRATION

(1) The original of this Convention and its Protocols shall be deposited with the Depositary, which shall transmit certified copies to all States and Territories eligible to become Party to the Convention and to all States eligible to become Party to a Protocol to the Convention.

(2) The Depositary shall register this Convention and its Protocols in accordance with Article 102 of the Charter of the United Nations.

DONE at Wellington this twenty-fourth day of November 1989 in the English and French languages, each text being equally authentic.
PROTOCOL I

The Parties to this Protocol,

NOTING the provisions of the Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific ("the Convention")

HAVE AGREED as follows:

Article 1
APPLICATION OF THE CONVENTION

Nothing in this Protocol shall affect the rights, claims and legal view of any Party concerning the nature and extent of jurisdiction over fisheries.

Article 2
MEASURES REGARDING NATIONALS AND VESSELS

Each Party undertakes to prohibit its nationals and fishing vessels documented under its laws from using driftnets within the Convention Area.

Article 3
TRANSMISSION OF INFORMATION

Each Party shall expeditiously convey to the FFA:

(a) information on the measures adopted by it pursuant to the implementation of this Protocol; and

(b) information on, and scientific analyses on the effects of, driftnet fishing activities relevant to the Convention Area.

Article 4
CONSERVATION AND MANAGEMENT MEASURES

Parties to this Protocol shall cooperate with Parties to the Convention in the development of conservation and management measures for South Pacific albacore tuna within the Convention Area.

Article 5
ENFORCEMENT

Each Party shall take appropriate measures to ensure the application of the provisions of this Protocol.

Article 6
WITHDRAWAL

At any time after three years from the date on which this Protocol has entered into force for a Party, that Party may withdraw from the Protocol by giving written notice to the Depositary. The Depositary shall immediately inform all Parties to the Convention or its Protocols of receipt of a withdrawal notice. Withdrawal shall take effect one year after receipt of such notice by the Depositary.
Article 7

FINAL CLAUSES

(1) This Protocol shall be open for signature by any State whose nationals or fishing vessels documented under its laws fish within the Convention Area or by any other State invited to sign by the Parties to the Convention.

(2) This Protocol shall be subject to ratification. Instruments of ratification shall be deposited with the Government of New Zealand, which shall be the Depositary.

(3) This Protocol shall enter into force for each State on the date of deposit of its instrument of ratification with the Depositary.

(4) This Protocol shall not be subject to reservations.

DONE at Noumea, New Caledonia this 20th day of October 1990.
The Parties to this Protocol,

NOTING the provisions of the Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific ("the Convention")

HAVE AGREED as follows:

Article 1

APPLICATION OF THE CONVENTION

Nothing in this Protocol shall affect the rights, claims and legal view of any Party concerning the nature and extent of jurisdiction over fisheries.

Article 2

MEASURE REGARDING NATIONALS AND VESSELS

Each Party undertakes to prohibit its nationals and fishing vessels documented under its laws from using driftnets within the Convention Area.

Article 3

MEASURES AGAINST DRIFTNET FISHING ACTIVITIES

(1) Each Party undertakes:

(a) not to assist or encourage the use of driftnets within the Convention Area; and

(b) to take measures consistent with international law to restrict driftnet fishing activities, including but not limited to:

(i) prohibiting the use of driftnets within areas under its fisheries jurisdiction; and

(ii) prohibiting the transhipment of driftnet catches within areas under its jurisdiction.

(2) Each Party may also take measures consistent with international law to:

(a) prohibit the landing of driftnet catches within its territory;

(b) prohibit the processing of driftnet catches in facilities under its jurisdiction;

(c) prohibit the importation of any fish or fish product, whether processed or not, which was caught using a driftnet;

(d) restrict port access and port servicing facilities for driftnet fishing vessels; and

(e) prohibit the possession of driftnets on board any fishing vessel within areas under its fisheries jurisdiction.

(3) Nothing in this Protocol shall prevent a Party from taking measures against driftnet fishing activities which are stricter than those required by the Protocol.
Article 4

TRANSMISSION OF INFORMATION

Each Party shall expeditiously convey to the FFA:

(a) information on the measures adopted by it pursuant to the implementation of this Protocol; and

(b) information on, and scientific analyses on the effects of, driftnet fishing activities relevant to the Convention Area.

Article 5

ENFORCEMENT

Each Party shall take appropriate measures to ensure the application of the provisions of this Protocol.

Article 6

WITHDRAWAL

At any time after three years from the date on which this Protocol has entered into force for a Party, that Party may withdraw from the Protocol by giving written notice to the Depositary. The Depositary shall immediately inform all Parties to the Convention or its Protocols of receipt of a withdrawal notice. Withdrawal shall take effect one year after receipt of such notice by the Depositary.

Article 7

FINAL CLAUSES

(1) This Protocol shall be open for signature by any State the waters under the jurisdiction of which are contiguous with or adjacent to the Convention Area or by any other State invited to sign by the Parties to the Convention.

(2) This Protocol shall be subject to ratification. Instruments of ratification shall be deposited with the Government of New Zealand, which shall be the Depositary.

(3) This Protocol shall enter into force for each State on the date of deposit of its instrument of ratification with the Depositary.

(4) This Protocol shall not be subject to reservations.

DONE at Noumea, New Caledonia this 20th day of October 1990.
CONVENTION FOR THE PROHIBITION OF FISHING WITH LONG DRIFTNETS IN THE SOUTH PACIFIC  
(Wellington, 24 November 1989)

Text: ATS 1992 No. 30; ILM 29 p. 1449; Treaties Collection 17/27.

PROTOCOLS I AND II  
(Noumea, 20 October 1990)

The Protocols provide for States outside the area to become parties to the Convention.
736/13/5/6, 1628/34/12.
DPIE (Fisheries).

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APPENDIX C. 9

TREATY ON COOPERATION IN FISHERIES SURVEILLANCE
AND LAW ENFORCEMENT IN THE SOUTH PACIFIC REGION
(NIUE TREATY, 1992)
The Parties to this Treaty:

GIVEN that in accordance with international law as expressed in the United Nations Convention on the Law of the Sea, coastal States have sovereign rights for the purposes of exploring and exploiting, conserving and managing the fisheries resources of their exclusive economic zones and fisheries zones;


NOTING that the Parties to the South Pacific Forum Fisheries Agency Convention, 1979 have agreed under Article 5 of that Convention that the Forum Fisheries Committee shall promote intra-regional coordination and cooperation in fisheries surveillance and law enforcement;

CONSIDERING the vast areas of ocean covered by the exclusive economic zones and fisheries zones of coastal States in the South Pacific region and the vital economic significance of such zones to the economic development of South Pacific coastal States;

WISHING THEREFORE to enhance their ability to enforce effectively their fisheries laws, and deter breaches of such laws;

HAVE AGREED AS FOLLOWS:

ARTICLE I - DEFINITIONS

In this Treaty:

(a) 'fishing' means:

(i) searching for, catching, taking or harvesting fish;

(ii) attempting to search for, catch, take or harvest fish;
(iii) engaging in any other activity which can reasonably be expected to result in the locating, catching, taking or harvesting of fish;

(iv) placing, searching for or recovering fish aggregating devices or associated electronic equipment such as radio beacons;

(v) any operations at sea directly in support of, or in preparation for any activity described in this paragraph;

(vi) use of any craft, air or sea borne, for any activity described in this paragraph except for emergencies involving the health and safety of the crew or the safety of a vessel;

(vii) the processing, carrying or transhipping of fish that have been taken.

(b) 'fishing vessel' means any boat, ship or other craft which is used for, equipped to be used for, or of a type normally used for fishing;

(c) 'foreign fishing agreement' means an agreement or arrangement authorizing or permitting foreign fishing vessels to fish in the exclusive economic zone or fisheries zone of any Party;

(d) 'foreign fishing vessel' in relation to a Party means a fishing vessel which is not part of the domestic fleet of that Party;

(e) 'South Pacific Forum Fisheries Agency' means the Agency of that name established by the South Pacific Forum Fisheries Agency Convention, 1979;

(f) 'Subsidiary Agreement' means an agreement or an arrangement entered into by any two or more Parties in accordance with this Treaty.

ARTICLE II - RELATIONSHIP WITH OTHER TREATIES

1. Rights and obligations under this Treaty shall apply as between the Parties in addition to any right or obligation concerning a similar matter applicable to a Party under any other Treaty.

2. A Subsidiary Agreement may expand upon rights and obligations under this Treaty in their application between the Parties to the Subsidiary Agreement.
ARTICLE III - GENERAL COOPERATION

1. The Parties shall cooperate in the enforcement of their fisheries laws and regulations in accordance with this Treaty and may agree on forms of assistance for that purpose.

2. The Parties shall cooperate to develop regionally agreed procedures for the conduct of fisheries surveillance and law enforcement. Where appropriate, fisheries surveillance and law enforcement will be conducted in accordance with such regionally agreed procedures.

ARTICLE IV - COOPERATION IN THE IMPLEMENTATION OF HARMONIZED MINIMUM TERMS AND CONDITIONS OF FISHERIES ACCESS

1. The Parties shall cooperate in the implementation of harmonized minimum terms and conditions of fisheries access as may be agreed upon from time to time.

2. The Parties shall ensure that no foreign fishing vessel shall be licensed for fishing unless the vessel has good standing on the Regional Register of Foreign Fishing Vessels maintained by the South Pacific Forum Fisheries Agency.

3. The Parties shall ensure that foreign fishing vessels licensed to fish under foreign fishing agreements are, as a minimum, required to provide reports in accordance with the standard forms of reporting as set out in the harmonized minimum terms and conditions of fisheries access from time to time.

4. The Parties shall ensure that fishing vessels licensed to fish under foreign fishing agreements are required to be readily identifiable from the sea and the air by way of distinctive markings.

5. The Parties shall, as far as possible, ensure that foreign fishing agreements with flag States require the flag State to take responsibility for the compliance by its flag vessels with the terms of any such agreement and applicable laws.

6. The Parties shall, as far as possible, ensure that foreign fishing arrangements with foreign parties, including Fishing Associations, require the foreign party to take responsibility for the compliance by its vessels with the terms of any such arrangement and applicable laws.

ARTICLE V - EXCHANGE OF INFORMATION

1. Each Party shall, to the extent permitted by its national laws and regulations, provide to the South Pacific Forum Fisheries Agency, or to any other Party directly, information relevant to the purposes of this Treaty, including but not limited to information about:

(a) the location and movement of foreign fishing vessels;

(b) foreign fishing vessel licensing; and
2. The Parties shall develop standard forms and procedures for reporting information provided under paragraph 1 of this Article and effective methods for communicating such information.

ARTICLE VI - COOPERATION IN FISHERIES SURVEILLANCE AND LAW ENFORCEMENT

1. A Party may, by way of provisions in a Subsidiary Agreement or otherwise, permit another Party to extend its fisheries surveillance and law enforcement activities to the territorial sea and archipelagic waters of that Party. In such circumstances, the conditions and method of stopping, inspecting, detaining, directing to port and seizing vessels shall be governed by the national laws and regulations applicable in the State in whose territorial sea or archipelagic waters the fisheries surveillance or law enforcement activity was carried out.

2. Vessels seized by another Party pursuant to an agreement under paragraph 1 of this Article in the territorial sea or archipelagic waters of a Party shall, together with the persons on board, be handed over as soon as possible to the authorities of that Party.

3. Any two or more Parties may enter into a Subsidiary Agreement under which they would cooperate in the provision of personnel and the use of vessels, aircraft or other items of equipment for fisheries surveillance and law enforcement purposes. Vessels and aircraft shall be identified as set out in Annex 1.

4. Any Party wishing to authorize its officers to perform fisheries surveillance and law enforcement functions on its behalf while on board a vessel or aircraft of another Party shall by instrument in writing designate the officers accordingly and such officers shall be identified as set out in Annex 2.

5. Any Party wishing to authorize the officers of another Party to perform fisheries surveillance and law enforcement functions on its behalf while on board a vessel of that other Party shall by instrument in writing designate such officers accordingly. Officers carrying out enforcement functions shall be identified by a card in the form set out in Annex 2 with such variations as may be agreed to in a Subsidiary Agreement or otherwise.

ARTICLE VII - COOPERATION IN PROSECUTIONS

1. The Parties may, by way of provisions in a Subsidiary Agreement or otherwise, agree on procedures for the extradition to a Party of persons charged with offences against the fisheries laws of that Party.

2. A Party may request another Party which is holding a person or any equipment (including a vessel) in custody for an offence against the laws of the holding Party to assist the requesting Party to enforce its fisheries laws in respect of that person or equipment. The holding Party shall provide such assistance upon completion of its legal processes and to the
extent permitted by its national laws and regulations. Such assistance shall be provided on conditions as to cost recovery or other matters as the Parties agree in each case.

3. The Parties may agree on procedures whereby persons permitted to appear as advocates or expert witnesses in the courts of one Party are, for the purposes of judicial proceedings involving offences against fisheries laws, entitled to perform the same or substantially similar functions in the courts of another Party.

4. Where there are waters over which more than one Party claims to have jurisdiction for the purposes of the application of fisheries laws, the Parties concerned shall for the purposes of the application of this Agreement seek to adopt the provisional lines used for the distribution of revenue received under the Treaty on Fisheries between the Governments of Certain Pacific Island States and the Government of the United States of America done at Port Moresby on 2 April 1987.

ARTICLE VIII - COOPERATION IN ENFORCEMENT OF PENALTIES

Should two or more Parties wish to provide that a penalty imposed by one Party under its fisheries laws be enforced by another Party, they may, by way of provisions in a Subsidiary Agreement or otherwise, agree on procedures for that purpose consistent with their national laws.

ARTICLE IX.- CONSULTATIONS

The Director of the South Pacific Forum Fisheries Agency, at the request of any three or more Parties, shall convene a meeting to discuss any matter arising out of the application of this Treaty. The meeting shall be held at such time and place as the Parties may agree, but shall be held not more than 90 days after the request is notified to the Director.

ARTICLE X - NOTIFICATION

1. Each Party shall notify the Director of the South Pacific Forum Fisheries Agency of the current postal, cable, telex and facsimile addresses which it wishes to be used for the receipt of notices given pursuant to this Treaty, and of any changes to a notified address. The Director of the South Pacific Forum Fisheries Agency shall inform all Parties of the notified addresses.

2. Any notice given under this Treaty shall be in writing and may be served by hand, post, cable, telex or facsimile to the notified address.

ARTICLE XI - DEPOSITARY

The depositary for this Treaty shall be the Government of Niue.
ARTICLE X - AMENDMENTS

1. Any Party may propose to the depositary an amendment to this Treaty, which shall be considered by the Parties at a meeting arranged in accordance with Article IX.

2. The text of any amendments shall be adopted by unanimous decision of the Parties to the Treaty.

3. Any amendment to this Treaty which is adopted by the Parties shall enter into force upon the receipt by the depositary of the instruments of ratification, acceptance or approval by all of the Parties, or on such later date as may be specified in the amendment.

4. The depositary shall notify all of the Parties of the entry into force of an amendment.

ARTICLE XIII - FINAL CLAUSES

1. This Treaty shall be open for signature by:

(a) any member of the South Pacific Forum Fisheries Agency;

(b) any Territory of a Member of the South Pacific Forum Fisheries Agency which has been authorized to sign the Treaty and to assume rights and obligations under it by the Government of the State which is internationally responsible for it.

2. This Treaty is subject to ratification by members of the South Pacific Forum Fisheries Agency and the Territories referred to in paragraph 1 of this Article. The instruments of ratification shall be deposited with the depositary.

3. This Treaty shall enter into force on the date of deposit of the fourth instrument of ratification.

4. This Treaty shall remain open for accession by the members of the South Pacific Forum Fisheries Agency and the Territories referred to in paragraph 1 of this Article. The instruments of accession shall be deposited with the depositary.

5. If all of the Parties agree, a State which is not a Party to the South Pacific Forum Fisheries Agency Convention may accede to this Treaty.

6. For any member of the South Pacific Forum Fisheries Agency or a State or Territory which ratifies or accedes to the Treaty after the date of deposit of the fourth instrument of ratification, the Treaty shall enter into force on the date of deposit of its instrument of ratification or accession.
ARTICLE XIV
CERTIFICATION AND REGISTRATION

1. The original of the Treaty shall be deposited with the depositary, which shall transmit certified copies to all States and Territories eligible to become party to this Treaty.

2. The depositary shall register this Treaty in accordance with Article 102 of the Charter of the United Nations.

IN WITNESS WHEREOF the undersigned, being duly authorised by their respective Governments, have signed this Treaty.

DONE at on the day of ,1992

REPRESENTATIVES OF THE GOVERNMENTS OF:

AUSTRALIA

COOK ISLANDS

FEDERATED STATES OF MICRONESIA

FIJI

KIRIBATI

MARSHALL ISLANDS

NAURU

NEW ZEALAND

NIUE

PALAU

PAPUA NEW GUINEA

SOLOMON ISLANDS

TONGA

TUVALU

VANUATU

WESTERN SAMOA
NIUE TREATY ON COOPERATION IN FISHERIES SURVEILLANCE AND LAW ENFORCEMENT IN THE SOUTH PACIFIC REGION  
(Honiara, 9 July 1992)

Text:
Depositary: Niue.
736/13/5/11, 92/13732.

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APPENDIX C. 10

MEMORANDUM OF UNDERSTANDING ON
THE ESTABLISHMENT OF THE SOUTH PACIFIC FORUM LINE
LIMITED (PFL, 1977)
MEMORANDUM OF UNDERSTANDING
ON THE ESTABLISHMENT OF THE PACIFIC FORUM LINE LIMITED

THE CONTRACTING PARTIES TO THIS MEMORANDUM:

HAVING REGARD TO the decision of the South Pacific Forum that a regional shipping line be established;

RECOGNISING the importance of shipping services as life lines for the existence of and for the development of the South Pacific region;

CONSIDERING the need to ensure regular shipping services and encourage economic development;

RECOGNISING the desirability of containing escalating freight rates; and

AGREEING to co-operate in the establishment of regular fully rationalised shipping services among ports of the Contracting Parties to this Memorandum and also among other ports;

HAVE AGREED as follows:

ARTICLE I
INTERPRETATION

In this Memorandum unless there is something in the subject matter or context inconsistent therewith or repugnant thereto:

1. "Board" means the Board of Directors of the Line

"Contracting Party" means a party to this Memorandum

"Council" means the Council referred to in Clause 1 of Article IV

"Dollar" and the sign "$" means the Western Samoan Tālā

"Financial year" means the financial year determined by the Board.
"Forum" means the South Pacific Forum

"Line" means the Pacific Forum Line Limited

"Non-Shipping Member" means a Contracting Party which is not a Shipping Member

"Ship evaluation factor" means the factor determined in accordance with the formula set out in the Schedule

"Shipping Member" means a Contracting Party which by itself or through a nominee provides for charter or otherwise contributes a ship or ships to the Line for the purpose of this Memorandum

"SFEC" means the South Pacific Bureau for Economic Co-operation

"Unit charter rate" means the rate referred to in Article IX.

2. Any question of interpretation or application of the provisions of this Memorandum, not being a dispute within the provisions of Article XIV, shall be submitted to the Council whose decision thereon shall be final.

ARTICLE II

ESTABLISHMENT OF LINE

1. There shall be established a regional shipping line to be known as the Pacific Forum Line Limited which shall have its registered office in and shall be constituted by the laws of Western Samoa as a private company of limited liability with a Memorandum of Association and Articles of Association as may be approved by the Contracting Parties.

2. Each Contracting Party shall, on becoming a Contracting Party contribute a sum of TEN THOUSAND DOLLARS ($10,000) which shall represent the payment for shares in the share capital of the said private company of limited liability. On such payment being made shares shall be issued to the Contracting Party which shall not be permitted to dispose of such shares by sale or otherwise other than to all the other Contracting Parties jointly inter se by way of gift for no consideration. And furthermore if any Government should subsequently become party to this Memorandum that Government shall also contribute $10,000 for shares and the then existing Contracting Parties shall then be required to transfer
to all the Contracting Parties (including the Government so becoming party) jointly inter se by way of gift for no consideration all the shares (if any) then held by the existing Contracting Parties jointly inter se.

ARTICLE III
OBJECTS OF LINE

The principal objects of the Line shall be to:

1. operate a viable shipping service with ships owned, chartered or subchartered by the Line

2. charter or subcharter from Contracting Parties on such basis and at charter rates fixed in accordance with Article IX or where necessary charter or subcharter from other sources on a commercial basis ships which will provide the services envisaged

3. collect through or from agents or principals or otherwise revenue from freight earned or services rendered and from the proceeds pay charter fees and other operating and administration expenses

4. provide in special circumstances and in the interests of the Contracting Parties shipping services designed to meet the special requirement of a particular area

5. having regard to safety, efficiency and economy of operation pursue a policy directed towards making a profit in each year

6. allocate in accordance with the provisions of this Memorandum the profits arising from the operations of the Line.

ARTICLE IV
ADMINISTRATION OF THE LINE

The Line shall be administered through:

1. the South Pacific Regional Shipping Council established in accordance with the Memorandum of Understanding done in Nuku'alofa on the 28th day of August 1974

2. a Board of Directors to be established in accordance with Article VI of this Memorandum.
ARTICLE V
FUNCTIONS OF THE COUNCIL

The functions of the Council with respect to the Line shall be to:

1. determine the general policies of the Line and to communicate these to the Board
2. review the operations of the Line in the light of the principal objects set out in Article III
3. determine the basis for the contractual arrangements which shall be entered into by the Line
4. determine policies for the establishment of tariffs
5. approve criteria for the provision of non-viable services in special circumstances.

ARTICLE VI
BOARD OF DIRECTORS

1. There shall be a Board of Directors of the Line consisting of seven (7) members being a representative of each of the Shipping Members and if at any time there are less than seven (7) of such members, the members shall be supplemented by sufficient representatives of Non-Shipping Members to bring the number of members of the Board up to seven (7) and each member may appoint an alternate to act in his place.

2. A representative of a Shipping Member shall cease to be a member of the Board ipso facto upon the Shipping Member which he represents becoming a Non-Shipping Member.

3. The representatives of Shipping Members shall be appointed by their respective Governments for a term not exceeding two (2) years (subject to earlier cessation under the provisions of Clause 2 hereof) and may be eligible for reappointment for a further term or terms.
4. Subject to Clause 1 of this Article the Non-Shipping Members shall be elected by the Council from Non-Shipping Members for a term not exceeding one (1) year and may be eligible for reappointment for a further term or terms.

5. The members of the Board shall elect from among the representatives of Shipping Members a Chairman and a Vice-Chairman.

6. The Board shall hold such meetings as in the opinion of the Chairman are necessary for the efficient conduct of the Line, provided that:

a) the Council may at any time by giving twenty-one (21) clear days' notice to all members of the Board direct the Board to meet;

b) the Chairman shall, on receipt of a written request from not less than five (5) members of the Board, call a meeting of the Board;

c) in any event the Board shall meet at least quarterly.

7. In the event of the absence of the Chairman from any meeting the Vice-Chairman shall preside.

8. In the event of the absence of both the Chairman and the Vice-Chairman the Board shall elect from among the representatives of the Shipping Members a Chairman.

9. At any meeting of the Board five (5) members shall constitute a quorum.

10. The person presiding at a meeting of the Board shall have a deliberative vote and, in the event of an equality of votes in a case where a simple majority is required, also a casting vote.

11. The determining of the unit charter rate or Ship Evaluation Factor in accordance with Article IX shall be decided by a unanimous vote of the members of the Board present in person or by alternate at that meeting of the Board.

12. The following matters shall be decided by five (5) affirmative votes:

a) the entry of the Line into any shipping service;
b) any recommendation as to the allocation of profits in accordance with Article X.

13. A member of the Board who is directly or indirectly interested in a contract or charter party requiring the approval of the Board or which has been approved by the Board shall as soon as possible after the relevant facts have come to his knowledge disclose the nature of his interest at a meeting of the Board.

14. A disclosure under the previous provision shall be recorded in the minutes of the Board and the member shall not take part in voting on a matter in respect of that contract or charter party.

ARTICLE VII
FUNCTIONS OF THE BOARD

The principal functions of the Board shall be:

1. to implement the general policies of the Council;

2. to appoint a General Manager who shall be the chief executive officer of the Line and to fix the terms and conditions of his employment;

3. to advise and direct the General Manager in the general management of the Line;

4. to receive the Annual or Interim Reports of the General Manager on the operations of the Line and to transmit such reports to the Council and to all Contracting Parties;

5. to approve -

a) the frequency of routes and scheduling of the services to be provided by the Line;

b) the number, type and class of ships to be operated;

c) general charter rates;

d) the appointment and the general conditions of engagement of agents and stevedores;
e) the establishment, salary scales and general conditions of engagement and employment of employees of the Line;

f) the appointment of a bank or banks at which the Line may operate accounts;

g) the subchartering of any ship which is on charter or subcharter to the Line subject to the consent of the chartering party;

h) the Line acting as substantive agent for other persons;

i) the borrowing of moneys from time to time in such amounts as may be found to be necessary for the purposes of the business of the Line and the giving of security therefor over the whole or any part of the assets of the Line;

6. with the approval of the Council to enter into long-term contractual arrangements with other shipping interests for the pooling of cargo and shipping space, but, subject thereto, the Board and the Management of the Line shall be free to enter into arrangements and to co-operate with such other interests where commercially expedient and in order to promote the development and facilitate the day to day operations of the business of the Line;

7. to appoint an Auditor.
ARTICLE VIII
FUNCTIONS OF THE GENERAL MANAGER

1. The functions of the General Manager shall be:
   a) to develop, manage, and operate the Line and its associated services and be responsible for the control, organisation, appointment and dismissal of employees of the Line in accordance with the policies and directions of the Board;
   b) in appointing employees of the Line and subject to the paramount importance of securing the highest standards of efficiency and technical competence to pay due regard to the recruitment of personnel on as equitable a geographical basis as possible;
   c) to report to and advise the Board on a regular basis upon any matter concerning the Line and to submit an annual report including audited accounts on the operation of the Line.

2. The General Manager shall attend the meetings of the Board.

ARTICLE IX
CHARTER RATE

1. The charter rate at which ships will be let by Contracting Parties for the operation of shipping services shall be determined on the following basis:
   a) each ship shall be given a Ship Evaluation Factor determined in accordance with the Ship Evaluation Formula set out in the Schedule;
   b) the Ship Evaluation Factor shall be multiplied by a unit charter rate fixed by the Board for that ship.
2. Notwithstanding anything in this Article the Board may in exceptional circumstances by a unanimous vote decide a Ship Evaluation Factor other than that calculated on the foregoing basis so as to take account of special features of the ship not adequately covered by the Ship Evaluation Formula.

ARTICLE X

Allocation of Profits

1. An audited profit and loss account of the Line for each financial year shall be obtained and submitted to the Board by the General Manager as soon as practicable after the close of the financial year in question.

2. Upon receipt of the audited accounts for each financial year the Board shall recommend to the Council for approval the manner of allocation and quantum thereof of the net profits as appearing from such audited accounts and in particular by way of transfer to any Reserve Fund and/or by way of supplementary charter payments for that year and/or by way of freight rate rebates or reliefs and/or by way of dividends on shares, provided that any Contracting Party waiving its right to any dividend (including its proportion of any joint dividend) may specify that that dividend shall be allocated for the specific purpose of reserves of the Line or freight rate rebates or reliefs for the lowering of rates on specific routes.

3. "Net profits" for the purposes of this Article shall mean profits after the payment of any tax.

ARTICLE XI

Signature, Ratification and Accession

1. This Memorandum shall be open for signature by the Governments of Australia, Cook Islands, Fiji, Gilbert Islands, Nauru, New Zealand, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu and Western Samoa, at the Headquarters of SPECT until the 30th day of June 1977.

2. This Memorandum is subject to ratification.

3. Any Government which after the 30th day of June 1977 becomes a member of the Forum may accede to this Memorandum.
4. Other Governments may, with the approval of the Forum, accede to this Memorandum.

5. This Memorandum shall enter into force between the Governments hereinafter referred to in this Clause one (1) month from the day on which instruments of ratification or accession have been deposited by the last of a minimum number of seven (7) of the Governments referred to in Clause 1 of this Article.

6. For Governments subsequently ratifying or acceding to this Memorandum, this Memorandum shall enter into force on the date of deposit with the Director of SPEC of their respective instruments of ratification or accession and as from such date those Governments shall be deemed to be Contracting Parties for the purposes of this Memorandum.

7. The original of this Memorandum shall be deposited with the Director of SPEC who shall transmit certified copies thereof to all Contracting Parties and shall register this Memorandum with the Secretary General of the United Nations and the Director of SPEC shall also inform Contracting Parties of the entry into force of this Memorandum and shall notify Contracting Parties of the deposit of all instruments of ratification and accession.

8. The signature of a Government shall not be taken as extending the rights and obligations set forth in this Memorandum to the territories for whose international relations that Government is responsible.

ARTICLE XII
WITHDRAWAL FROM MEMORANDUM

1. A Contracting Party may at any time after having been a Contracting Party for not less than two (2) years by giving one (1) year's prior written notice addressed to the Director of SPEC withdraw from this Memorandum, provided that such Contracting Party shall before the expiration of the said one (1) year transfer its shares in the company to the remaining Contracting Parties jointly inter se by way of gift for no consideration.

2. The Director of SPEC shall immediately transmit to the Contracting Parties any notice of intention to withdraw which has been received by him and the date from which any such withdrawal will become effective.
ARTICLE XIII
AMENDMENTS TO THIS MEMORANDUM

1. This Memorandum may be amended at any time by the unanimous agreement of all the Contracting Parties. The text of any amendment proposed by a Contracting Party shall be submitted to the Director of SPEC who shall transmit it to all Contracting Parties within one (1) month.

2. If three (3) or more Contracting Parties request a meeting to discuss the proposed amendment, the Director of SPEC shall call a meeting of the Council, to be held within three (3) months of the date of such request.

3. If all the Contracting Parties agree to any proposed amendment, it shall then be open for ratification.

4. An amendment shall come into force when the Director of SPEC has received instruments of ratification in respect thereof from all Contracting Parties.

ARTICLE XIV
APPOINTMENT OF ARBITRATORS
IN CASE OF DISPUTE

1. If at any time a dispute should arise between any of the Contracting Parties (including any former Contracting Parties) or between any of the Contracting Parties (as aforesaid) and the Line such dispute shall be submitted to arbitration by a tribunal of arbitrators.

2. Each party to a dispute shall appoint one (1) arbitrator, and the arbitrators so appointed shall appoint a further arbitrator who shall be Chairman.

3. If within thirty (30) days of the submission to arbitration any party to a dispute has not appointed an arbitrator or if within fifteen (15) days of the appointment of the arbitrators the further arbitrator to be the Chairman has not been appointed, any party to a dispute may request the Director of SPEC to appoint an arbitrator or arbitrators as the case may be.

4. The procedure for the arbitration shall be fixed by the arbitrators provided that the Chairman shall decide on and settle all questions of procedure in case of any disagreement with respect thereto.
5. A majority vote of the arbitrators shall be sufficient to reach a decision which shall be final and binding upon the parties to a dispute, and in the event of an equality of votes the Chairman shall have a second or casting vote.

DONE at Heard this 16th day of May 1977

in a single copy which shall remain deposited with SPEC which shall transmit certified copies to all signatories hereto.

For the Government of the Cook Islands

For the Government of Fiji

For the Government of the Gilbert Islands

For the Government of Nauru
For the Government of New Zealand

For the Government of Papua New Guinea

For the Government of the Solomon Islands

For the Government of Tonga

For the Government of Western Samoa
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