**6th PCREEE STEERING COMMITTEE (PSC) MEETING**

30th NOVEMBER 2021

MODE: VIRTUAL

**AGENDA ITEM 4 – INSTITUTIONAL STRUCTURE**

**Purpose**

1. The purpose of this paper is to update the PSC on the institutional structure of the PCREEE.

**Background**

Regional Coordination

1. The PCREEE was established with the governance structure which was aligned to the coordination structure of the Framework for Action in Energy Security in the Pacific (FAESP: 2010 – 2020). The FAESP had a Pacific Energy Oversight Group (PEOG) and a Pacific Energy Advisory Group (PEAG) as its coordination mechanisms. PEOG consisted of representatives from regional organizations while the PEAG consisted of the PEOG plus PICTs, industry and development partner representatives.



1. In August 2021, Pacific Islands Forum Leaders endorsed the Framework for Energy Security and Resilience in the Pacific (FESRIP: 2021 – 2030). The FESRIP has 23 priority activities grouped into 5 Priority Areas. PCREEE’s 4 Programme Areas are incorporated in the FESRIP priority areas, as can be seen in the table below:

|  |  |
| --- | --- |
| **FESRIP Priority Areas** | **PCREEE Programme Areas** |
| Energy Sector Finance and Cooperation  | SE Business Start-ups and Mentoring |
| Sustainable Electric Power Developments | Sustainable Mobility |
| Low carbon transport | RE Mini-grids |
| Improved Energy Efficiency  | EE Investments  |

1. The PEOG and PEAG are now discontinued and replaced.
2. FESRIP oversight will now be the function of the heads of the relevant CROP agencies through the CROP Heads Meeting.
3. A CROP Energy Technical Working Group (ETWG) will be responsible for sharing information, coordination, and collaboration vis-à-vis implementation of the framework and replaces the PEOG.
4. An Energy Security Working Group (ESWG) will be established and replaces the PEAG. Among others the functions are assessing progress and providing advice, including priority actions. In addition, for reasons of efficiency and effectiveness, the ESWG will align with the Framework for Resilient Development in the Pacific (FRDP: 2017–2030), specifically Goal 2: Low Carbon Development (with the expected outcome ‘Improved energy security, decreased net emissions of greenhouse gases, and enhanced resilience of energy infrastructure’). The ESWG de facto will function as a Pacific Resilience Partnership Technical Working Group on low carbon development reporting through FRDP mechanisms (or as otherwise agreed) to heads of CROP and ultimately through them to Forum leaders.

HR and Financial Policies

1. The PCREEE operates under the HR and Financial rules and policies of the SPC. SPC is an accredited entity of the EU and the GCF and this is proof of the compliance of SPC’s management and governance structure with internationally-accepted standards and norms.
2. In terms of the Secretariat, the PCREEE currently has 3 full time staff – Manager, Pacific Island Energy Professional (PIEP) and a Programme Assistant. They are supported by 3 short term consultants (Programme Delivery Officer and a Sustainable Energy Coordinator (SEC) each in the Cook Is and the Solomon Is.
3. The PCREEE Staff are complemented by one professional staff from the Tonga Department of Energy.
4. The NFIs and the THs are supposed to play a key role in the appraisal and monitoring of PCREEE’s performance but also in the coordinating of PCREEE’s activities with their respective activities with other partners’ and donors’.

**Current Status**

1. PCREEE continues to operate effectively under the rules and policies of SPC. SPC has reviewed its policies to accommodate the restrictions imposed by the COVID pandemic. For instance, there is flexibility to work remotely from home, staff are being paid an internet access allowance to facilitate working remotely, home leaves are being deferred and staff are encouraged to take their annual leave at their duty station.
2. The NFIs arrangement have not worked effectively during the First Operational Phase largely because of their other commitments and reporting obligations. Levels of interests and participation vary greatly among the PICs. The PCREEE deliveries for 2020 & 2021 have mostly focused on 5 active PICs [mostly in Tonga & Vanuatu and to a lesser extent at PNG, Samoa and Tuvalu].
3. On the THs, new players such as PFAN and the ISA are already collaborating with the PCREEE.
4. The PCREEE steering committee members from the PICTs are selected for a term in office of two years. The current members are Fiji, FSM, Tuvalu, French Polynesia and Tonga.

**Issues**

1. The PCREEE is operating successfully under the institutional and governance structures of SPC and there is no need to consider any autonomous set up under the current financial and donor climate.
2. Given PCREEE is not an autonomous entity, it is very important that its management is clearly seen to be aligned to the FESRIP and Goal 2 of the FRDP and to be managed, reported and coordinated under the structure of those two key regional frameworks.
3. Given the uncertainty with the pandemic, it would be safe to prepare for the mixed delivery of the 2022 PCREEE work plan to be done virtually and to be done nationally. The SECs will play a key role in assisting the NFIs to implement the PCREEE work programme on the ground at the PICs.

**Recommendations**

1. The meeting is invited to:
2. Endorse that the NFIs and THs to the PSC be open-ended.
3. Acknowledge the effective operation of the PCREEE under SPC’s rules and policies.
4. Endorse that the management of the PCREEE be aligned with those of the FESRIP and Goal 2 of the FRDP.
5. Note the key role of SECs in the implementation of the PCREEE work programme.

[30th November 2021]