

TWENTY-NINTH SOUTH PACIFIC FORUM

Pohnpei, Federated States of Micronesia

24 - 25 August 1998

FORUM COMMUNIQUÉ

The Twenty-Ninth South Pacific Forum was held in Palikir, Pohnpei from 24 to 25 August 1998 and was attended by Heads of States and Governments of the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, Niue, Palau, the Republic of Marshall Islands, Tonga, Tuvalu and Vanuatu; and representatives of Australia, New Zealand, Papua New Guinea, Samoa and Solomon Islands. The Forum Retreat was held on Pohnpei at the Village Hotel.

2. The Forum thanked the Government and people of the Federated States of Micronesia for their warm welcome and the generous hospitality provided to all delegations to the Forum and for the arrangements made for its meeting.

“From Reform to Growth : The Private Sector and Investment as the Keys to Prosperity”

3. Leaders thanked the President of the Federated States of Micronesia for his presentation on the Forum theme “From Reform to Growth: The Private Sector and Investment as the Keys to Prosperity.” The Forum noted the importance of the private sector and investment as the keys to economic growth and agreed that efforts should be made to ensure macro economic stability by improving fiscal discipline, further progressing public sector reforms and broadening the tax base. It also emphasised the need to introduce a wide range of policy, legal, regulatory and institutional reforms which provide the private sector with a more favourable and competitive business environment.

4. Leaders also thanked the Deputy Prime Minister of Papua New Guinea for the presentation on the sub-theme of “Reform and the Private Sector: Experience To Date”. Leaders emphasised the critical need for Forum Governments to implement their Economic Reform Programmes through private sector participation that would encourage the promotion of economic growth and prosperity among member countries of the region.

5. Leaders recognised the importance of tourism and fisheries to the economies of its member countries in particular the smaller ones. The Forum heard presentations by the President of Kiribati on fisheries and the President of Palau on tourism under the sub-theme “Tourism and Fisheries: Key Sectors for Private Investment and Growth”. Leaders gave strong endorsement to the proposed strategies for promoting these sectors as outlined in the presentations as well as in the FEMM outcomes.

6. In recognition of the fundamental role played by education and training in enhancing the adaptability of Pacific Islanders to the rapidly changing world and region, the Forum heard a presentation by the Prime Minister of Tonga on the sub-theme “Education - Capacity Building for Private Sector Growth”, and agreed to address the key constraints identified in the presentation.

7. The Forum recognised the crucial importance of accessibility to capital and the need for improved dialogue between the private sector and financial institutions to better understand financial sector operations and how it can facilitate economic development. It heard a presentation by the Minister of Foreign Affairs of New Zealand on the sub-theme “Banks as the Engine of Growth in the Private Sector” which addressed this dimension of private sector development.

8. Forum Leaders asked the Secretary General to consult members, SPOCC agencies and other multilateral organisations on a programme of action to advance the proposals contained in the thematic presentations and to report to the Forum Chair. In regard to the recommendations on fisheries issues presented by the President of Kiribati, Leaders agreed that FFA consider them and take appropriate action as early as possible. Leaders welcomed the offer by Kiribati to host the Fisheries Conference in Tarawa to advance these initiatives.

Forum Economic Ministers Meeting

9. The Forum welcomed the outcome of the second Forum Economic Ministers Meeting (FEMM2) which was held in Nadi, Fiji on 7-8 July 1998 and thanked the Government of Fiji for hosting the meeting. Leaders noted that good overall progress had been made in the implementation of the FEMM Action Plan, taking into account capacity constraints facing some members, the back drop of region-specific difficulties, notably drought, and other natural disasters and the problems faced by some member countries from the Asian economic crisis.

10. Leaders affirmed that the best way to respond to such difficulties was by continuing to strengthen their economies by pursuit of the Forum Economic Action Plan. They acknowledged that the success of the FEMM process depended on effective implementation of the Action Plan by member Governments.

11. Leaders were encouraged by the additional strategies and measures adopted by FEMM to enhance the impact of the Action Plan in furthering economic reform. Leaders endorsed specific recommendations concerning the region's response to undesirable financial activities, the promotion of competitive telecommunication markets, the development of information infrastructure as well as work related to the Forum Free Trade Area. They agreed that when work on the free trade area framework was sufficiently advanced, a meeting of Forum Trade Ministers be convened to make recommendations to the next Forum.

12. Recognising the importance of efficient and effective communications services for both national and regional development, the Forum agreed to convene a Forum Communications Policy Ministerial meeting. The aim of the meeting will be to promote competitive telecommunications markets and, taking into account social and rural/urban equity concerns, discourage unwarranted cross-subsidisation between service sectors; work towards the development of a cooperative approach to information infrastructure and regulatory services; and examine developments in relation to international settlement rates for telecommunications services.

13. The Forum considered international settlement rates for telecommunications services and the very serious implications for some Forum Island Countries of the decision by the United States to adjust those rates with respect to its own telecommunications services. Leaders strongly urged the United States to recognise the adverse consequences for all Forum Island Countries of that decision and to respond favourably to their concerns in that regard.

14. The Forum recognised the special circumstances of the smaller Forum member countries in the implementation of economic reforms under the Action Plan and the need for strong support for their reform processes by regional organisations and the donor community.

15. The Forum directed that the Forum Secretariat continue to accord high priority to facilitating the implementation of the Action Plan and requested FEMM to report to the 1999 Forum on further progress in its implementation.

New Caledonia

16. The Forum noted the report by the Forum Chair on his visit to New Caledonia and expressed its appreciation to the Government of France and the authorities in New Caledonia for facilitating the Chair's visit. Forum Leaders also warmly welcomed the signing of the Noumea Accords by the two main parties in New Caledonia, the FLNKS and the RPCR, and the French Government.

17. The Forum reaffirmed its support for continuing contact with all communities in New Caledonia and reiterated its recognition of the rights of the people of New Caledonia to self-determination. In this regard, Leaders agreed to a continuing future monitoring role for the Forum Ministerial Committee on New Caledonia during the period of the Noumea Accords, particularly with respect to the referenda that will be conducted pursuant to the Accords.

18. The Forum issued the Statement at Annex 1 on observership at the Forum for New Caledonia.

19. The Forum further noted that the existing criteria for observer status would be re-examined in the light of New Caledonia's imminent admission as an observer at the Forum.

Forum Aviation Policy Ministers Meeting

20. Leaders welcomed the outcomes of the Forum Aviation Policy Ministers Meeting and recognised the value of the sectoral policy meeting format adopted in this case. It endorsed the Meeting's *Forum Aviation Policy Action Plan* and the Secretariat progressing in 1998 the work arising from the Forum Aviation Policy Ministers Meeting. It also agreed that another Forum Aviation Policy Ministers Meeting should be convened to review the Forum Aviation Policy Action Plan and report to the next Forum.

Future Trade and Aid Relations between the European Union and the Pacific ACP States

21. The Forum noted that the Lomé Convention has been invaluable for its Pacific ACP members (Fiji, Kiribati, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu) and acknowledged its appreciation to the European Union and its member states for their substantial contribution to the development of the region. It endorsed the outcomes from the Pacific ACP Ministers Meetings held in Suva on 8 April 1998, including the proposed strategies for re-negotiating the Lomé Convention.

22. The Forum welcomed the decision by Pacific ACP Ministers to support the expansion of the ACP to include other Pacific Island Countries not presently parties to the Lomé Convention, namely the Cook Islands, Federated States of Micronesia, Nauru, Niue, Palau and the Republic of Marshall Islands.

Third Session of the Western and Central Pacific Fisheries Conference (MHLC3)

23. Leaders welcomed the successful outcome of the Third Session of the Multilateral High Level Conference (MHLC3), now known as the Western and Central Pacific Fisheries Conference, held in Tokyo in June 1998, and thanked Japan for hosting this important meeting.

24. Leaders also noted the positive strides in the negotiations for the development of a legally binding conservation and management arrangement which will ensure, on a cooperative basis with Distant Water Fishing Nations (DWFNs), the maintenance of a sustainable fishery in the region as well as enhance the economic security of coastal states particularly those whose economies are highly dependent on this one resource.

25. The Forum further called on developed States to honour their obligations and commitments to provide financial assistance to facilitate the participation of Pacific Island Countries at future inter-sessional working group meetings and MHLCs to help them discharge their management and conservation responsibilities.

Vessel Monitoring System (VMS)

26. The Forum reiterated its endorsement for the concept of a Vessel Monitoring System (VMS) for the Forum Fisheries Agency (FFA) member countries, which will be progressively implemented for DWFNs vessels operating in the exclusive economic zones of FFA member countries. Leaders also noted the opportunities for improved technology in such systems which may enhance their roles in fisheries conservation and management. Leaders again called on DWFNs operating in the region to support the VMS initiative of FFA member countries.

European Union and New Caledonia Fisheries Interest

27. Leaders welcomed the interest by the European Union and New Caledonia in concluding fisheries agreement with FFA member countries and requested the FFA to continue discussions on the matter with both the EU and New Caledonia and provide further advice to FFA members. Leaders agreed to consider this again at the next Forum.

1999 United Nations Special Session on Small Island Developing States (UNSSSIDS)

28. The Forum reaffirmed its endorsement of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States (BPOA) as a comprehensive framework with great potential for the region and commended implementation efforts currently underway at the national and regional levels.

29. Leaders endorsed the development of arrangements for the United Nations Special Session allowing for the involvement of non-UN members, and noting that specific mandates on a range of issues will be developed and brought to the next Forum Officials Committee Meeting for consideration.

30. Leaders noted that the Special Session to review the BPOA in 1999 represents an important opportunity for the region. They reiterated the importance of facilitating the participation of the Forum Island Countries in the Special Session and its preparatory process, and called on countries to pledge support through voluntary contributions.

31. The Forum agreed that in giving focus to the interests of Small Island Developing States in the run-up to the Special Session, a single regional presentation be made at the forthcoming Intersessional meeting of the Commission on Sustainable Development. The Secretariat was asked to arrange a meeting of members to coordinate these preparations.

32. Leaders, conscious of the importance of reliable data and information systems in the pursuit of sustainable development endorsed the early implementation of SIDSNET activities in the region as part of its efforts to implement the BPOA.

Vulnerability Index

33. The Forum reiterated the importance of the vulnerability index and commended the positive developments at the United Nations and within the Commonwealth as well as in the region towards the completion of a comprehensive vulnerability index

encompassing such factors as environmental and capacity considerations that can be broadly applied and included among the criteria for developing Least Developed Country status and for deciding concessional aid and trade treatment.

34. The Forum agreed to pursue as a matter of urgency in the appropriate United Nations and other fora the deferral of a decision on graduation of any Forum member from the list of LDCs until an acceptable vulnerability index is developed and can be taken into account in classification decisions.

Climate Change

35. Leaders adopted a Statement on Climate Change which is attached as Annex 2.

Sea Launch Project

36. The Forum expressed its concern over the potential environment effects from the proposed Sea Launch Project and called for a comprehensive environmental impact assessment of the proposal to be undertaken. It further agreed that this be communicated to the United States in the Post-Forum Dialogue.

37. Leaders further agreed that there was a need for a consultative mechanism to be established in the region for considering the environmental and economic impacts of proposed developments such as this, in international waters adjacent to the exclusive economic zones of Forum member countries.

Shipment of Radioactive Wastes

38. The Forum reiterated its position that shipments of plutonium and radioactive wastes through the region posed a continuing concern and agreed to adopt a consistent position on the issue, taking into account the risks of an accident occurring and the consequences of such an accident. It reiterated the expectation that such shipments should be carried out in a manner which addressed all possible contingencies and the concerns of relevant countries, including coastal states of the region. The Forum expected that

shipments would be made only if the cargo is of demonstrably minimal risk, ships are of the highest standard and shipping states agree to promote the safety of the material and provide compensation for any industries harmed as a result of changes in the market value of the region's fisheries and tourism products in the event of an accident.

39. In this regard, the Forum noted the efforts of Japan, France and the United Kingdom in providing information about recent shipment of high level wastes and expressed the hope that this would be continued.

40. Leaders agreed to pursue discussions with France, Japan and the United Kingdom on the current liability regime for compensating the region for economic losses caused to tourism, fisheries and other affected industries as a result of an accident involving a shipment of radioactive materials, even if there is no actual environmental damage caused. After an assessment is made on the adequacy of such a regime, the Forum will consider strategies for ensuring that an adequate and comprehensive compensation scheme is put in place.

41. The Forum further agreed that members, through the Forum Secretariat, pursue in the relevant international agencies a strong regime of prior notification to, and consultation with, coastal states on planned shipments of hazardous wastes, the development of a regime for the preparation of Environmental Impact Statements and Emergency Response Plans.

Whale Sanctuary

42. Leaders recalled their support in 1993 for the International Whaling Commission's moratorium on commercial whaling and the proposal to establish a Southern Ocean Sanctuary. The Forum continued to attach importance to the sustainable use of marine resources, noting that a greater level of protection for whales was appropriate, and also noting the internationally recognised need for sanctuaries to assist with the long term conservation of great whales.

43. In this context, the Forum gave its support to the development of a proposal to establish a South Pacific Whale Sanctuary for great whales to complement the existing Indian and Southern Ocean Sanctuaries, with particular attention to the need to protect Forum members traditional and cultural practises and the sustainable use of their marine resources. The Forum recognised that the issue was an important one for some Dialogue Partners and that it would be necessary to fully consult with them as part of this process.

Nuclear Testing

44. The Forum reaffirmed its strong opposition to nuclear testing and condemned the recent tests by India and Pakistan. It expressed grave concern at the challenge that the recent nuclear tests constitute to the international nuclear non-proliferation regime, and its deep concern at the risk of a nuclear arms race in South Asia.

45. Leaders, in pursuit of genuine and universal disarmament, sought a successful outcome to the Nuclear Non-Proliferation Treaty Review Conference in the year 2000, while focussing on key issues of interest to the region such as nuclear weapons free zones and cooperation between the nuclear weapons free zones in the southern hemisphere in particular, and the transport of nuclear materials in the region.

46. The Forum urged its members and those countries that have not already done so to ratify the Comprehensive Test Ban Treaty (CTBT) before the end of the three year period after the Treaty was opened for signature.

Anti-Personnel Landmines

47. Recalling their endorsement at their meeting last year of international developments in the campaign to ban anti-personnel landmines, Leaders welcomed the signing of the Ottawa Convention, and commended the support for the Convention by members.

Biological Weapons Convention

48. Leaders also expressed their abhorrence of other weapons of mass destruction and expressed the hope that progress would be made for an early conclusion of a protocol to strengthen the Biological Weapons Convention (BWC). Leaders also welcomed the initiative by Australia for a high level meeting to assist in achieving this goal.

South Pacific Nuclear Free Zone Treaty

49. Leaders noted from the Secretary General's report that there had been no further signatures or ratifications of the Rarotonga Treaty or its Protocols since the United Kingdom's ratification on 19 September 1997, and called upon the United States to promptly ratify the Protocols.

Results of the Study on the Radiological Situation at the Atolls of Mururoa and Fangataufa

50. The Forum noted that the finding of the International Atomic Energy Agency (IAEA) Study indicates negligible residual contamination as a result of nuclear testing. Leaders recalled that the Forum had called for such a study to be carried out and expressed appreciation that the results of the study had been presented to the region prior to publication and subsequent international scientific scrutiny.

51. Leaders commended Dr Vili Fuavao for his participation as the Forum representative on the International Advisory Committee which undertook the study as well as Dr Shorten of the South Pacific Applied Geoscience Commission who represented the region at the International Scientific Conference in Vienna to review the results of the study.

52. Leaders agreed that the concerns by the Forum representative at the International Scientific Conference about the lack of geological detail in the International Atomic Energy Agency (IAEA) Study on the Radiological Situation at the Atolls of Mururoa and Fangataufa should be fully assessed and responded to.

53. The Forum called on France to carry out ongoing radiological monitoring of the environment on Mururoa and Fangataufa, and strongly urged France to address fully, concerns of the people of French Polynesia especially regarding the possible health effects of the nuclear testing programme.

54. The Forum called on all nuclear powers which had conducted nuclear tests in the region to accept full responsibility and liability for past nuclear testing. Leaders also called on all States concerned to fulfil their responsibilities to ensure that sites where nuclear tests have been conducted are monitored scrupulously and to take appropriate steps to avoid adverse impacts on health, safety and the environment as a consequence of such nuclear testing.

55. The Forum recognised the special circumstances pertaining to the continued presence of radioactive contaminants in the Republic of Marshall Islands, and reaffirmed the existence of a special responsibility by the United States towards the people of the Marshall Islands, who had been, and are continuing to be, adversely affected as a direct result of nuclear weapons tests conducted by the United States of America during its administration of the islands under the UN Trusteeship mandate.

56. The Forum again reiterated its call on the United States to live up to its full obligations on the provision of adequate and fair compensation and the commitment to its responsibility for the safe resettlement of displaced populations, including the full and final restoration to economic productivity of all affected areas.

Regional Security Cooperation

57. Leaders expressed their deep sympathy at the tragic loss of lives in Aitape and commended Forum members and other donors which contributed in response to the tsunami tragedy in Sanduan Province, Papua New Guinea.

58. The Forum noted the briefing provided by the Deputy Prime Minister of Papua New Guinea on the progress made in restoring peace in Bougainville. It acknowledged that Bougainville remains an integral part of Papua New Guinea. It also noted the appreciation by the Government of Papua New Guinea for the assistance provided by members towards

the reconstruction and rehabilitation programme and the peace process, including participation in the Peace Monitoring Group. It welcomed these positive developments in Bougainville, and commended all members involved in bringing about peace and normalcy on the island. Leaders also welcomed the United Nation's positive response in despatching a Peace Monitoring Team to Bougainville.

59. Leaders welcomed the report on progress on the implementation of the Aitutaki Declaration.

60. Leaders noted that a Status of Forces Agreement might not be required at this stage given that assistance could be provided in its absence, and that the Secretariat be requested to coordinate model legislation and relevant agreement and report to the Forum Regional Security Committee (FRSC) at its next meeting. It further noted the circumstances under which a second meeting of FRSC might be convened in response to emergency situations.

61. Leaders also noted the existence of mechanisms for preventive diplomacy which can be useful in the peaceful and early resolution of conflict in the region which include the FRSC, the use of the good offices of the Secretary General, eminent persons, fact-finding missions and third party mediation and tasked the Secretariat to further consider cost implications of these preventive diplomacy mechanisms taking into account United Nations and Commonwealth practice.

62. The Forum expressed concern over the continued lack of progress in implementing the legislative priorities of the Honiara Declaration on Law Enforcement Cooperation and reiterated its commitment to ensuring that a regional legislative framework be put in place by the year 2000. Leaders endorsed the FRSC's Action Plan to help members achieve this objective and welcomed Australia's offer to assist members in their implementation of these legislative priorities, acknowledging the limited capacity of some member states to meet the provisions of the Honiara Declaration.

63. The Forum noted the progress on work done by the South Pacific Conference of Police Chiefs and the Customs Heads of Administration Meeting sub-committees on a

Common Approach to Weapons Control, and a Regional Consultative Mechanism on Security Issues and endorsed the Forum Secretariat's continued administrative support to specialist law enforcement agencies and as may be appropriate, funding support to undertake specific tasks as may be decided by FRSC.

64. Leaders endorsed the continuing role of FRSC as the body responsible for the oversight of effective regional law enforcement coordination amongst specialist law enforcement agencies and for the development of recommendations on policy approaches to broader regional security issues.

65. The Forum noted with concern recent acts of terrorism at Nairobi, Dar Es Salaam, and Omagh with tragic loss of innocent lives. The Leaders reiterated their collective condemnation of international terrorism and reaffirmed their support for international cooperation aimed at its eradication.

Drug Issues

66. The Forum welcomed the outcomes of the 20th Special Session of the United Nations General Assembly convened to consider the fight against the illicit production, sale, demand, traffic and distribution of narcotics drugs and psychotropic substances and the proposed new strategies, including practical measures and activities to address the problem of drug abuse and trafficking.

67. It further agreed to encourage its members to examine the specific outcomes of the Special Session and the proposed new strategies for implementation.

68. It further requested the Secretariat to provide to the 1999 Forum Regional Security Committee upon receipt of views and comments from members on the outcomes of the Special Session of the General Assembly, a draft implementation schedule for a regional response that takes into account measures already being undertaken under the current Secretariat's 5-year programme and the priority areas identified by members.

69. The Forum also called for early ratification and implementation by members of the Single Convention on Narcotic Drugs, 1961, that Convention as amended by the 1970 Protocol, the Convention of Psychotropic Substances, 1971, and the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988.

Japan-Forum Leaders' Summit

70. Leaders welcomed the opportunity to meet with Leaders from Japan at the South Pacific Forum-Japan Leaders Summit held in October, 1997 at Tokyo. The Forum expressed its appreciation to Japan for the initiative which is another step forward in the expanding already strong links between the region and Japan. The Forum reaffirmed the value that the region places on this relationship as well as its commitment to the Joint Declaration issued at the conclusion of the Summit. The Forum welcomed the offer by the Prime Minister of Japan to host such Summits every two years.

Relations with ASEAN

71. The Forum welcomed the continued efforts by the region to establish closer relations with ASEAN, noting the possible value of reciprocal annual visits by the respective Chairs of the Forum and ASEAN, and encouraged continuing consultations between the respective Secretaries General.

Post-Forum Dialogue

72. Forum Leaders welcomed the increased interest in the Post-Forum Dialogue meetings which are a major vehicle for multilateral political and economic consultations with the region's partners.

73. Leaders further accepted the following criteria for admission of a country to Post-Forum Dialogue status: long-established historical links with the region which may include significant security links; significant trade and investment links with the region; long term commitment to the region through participation in regional organisations and/or the establishment of diplomatic missions; cultural and social identification with

communities in the region; development assistance to the region through bilateral and/or multilateral programmes and shared interests or common positions on key international issues.

Canada Security Council Candidature

74. The Forum supported and endorsed Canada's Security Council candidature.

Trade Office in China

75. The Forum agreed that, while it supported the establishment of a trade office in China, these efforts should not be progressed further if sufficient additional funds cannot be identified.

Pacific Islands APEC Centre

76. The Forum noted the progress made to date on the establishment of the Pacific Islands APEC Centre and thanked Papua New Guinea for its efforts to secure benefits for the Forum Island Countries from the APEC process which should compliment the role played by the Forum Secretariat on APEC matters.

Funding for SPREP Headquarters

77. The Forum noted the current status of funding for the construction of a new headquarters for SPREP and expressed appreciation to Australia, New Zealand, Papua New Guinea and Samoa for their contribution to the project.

78. Emphasising the importance of environment issues and the work of SPREP in support of sustainable development in the region, Leaders encouraged Japan to assist with the proposed SPREP Training and Education Centre component of the project, and called on other SPREP members and Dialogue Partners to support the project.

Commonwealth Secretary-General position

79. The Forum noted the importance of the Commonwealth both at the regional and international level. It also noted that the position of the Secretary-General of the Commonwealth will shortly be vacant and recalled that the first Secretary-General was from Canada, the second from the Caribbean and the third from the African region. It also recalled the New Zealand Government's intention to nominate Rt Hon Don McKinnon for the vacant position. Leaders agreed that this vacancy represents an excellent opportunity to promote a candidate from among the South Pacific Forum members.

Compact Renegotiations

80. The Forum took note of the upcoming economic negotiations between the Governments of the Federated States of Micronesia and the United States of America and wishes both Governments a successful renegotiation.

Appreciations

81. The Forum commended the outgoing Chairman, the Hon Sir Geoffrey Henry, MP, Prime Minister of the Cook Islands, for his leadership of the Forum over the past year. The Forum also warmly welcomed the new Secretary General, the Hon Noel Levi, CBE, and thanked him for the successful arrangements and his support to the Leaders. It also extended its sincere appreciation to Mr Tony Slatyer, Deputy Secretary General for his services to the Forum and wished him well as he leaves the Secretariat.

Date and Venue of Next Meeting

82. The Forum reaffirmed its appreciation and acceptance of the kind offer by Palau to host the 30th South Pacific Forum. The date for the Forum will be finalised by the Republic of Palau in consultation with the Secretariat.

**29TH SOUTH PACIFIC FORUM
Pohnpei, Federated States of Micronesia**

24 August 1998

FORUM LEADERS' RETREAT STATEMENT ON NEW CALEDONIA

Forum Leaders meeting today in Pohnpei have warmly welcomed the signing of the Noumea Accords.

2. Leaders agreed to a continuing monitoring role for the Forum Ministerial Committee on New Caledonia during the period of the Noumea Accords, particularly with respect to the referenda that will be conducted pursuant to the Accords.
3. Leaders agreed that the Forum would give favourable consideration to a formal request from New Caledonia for its admission to the 1999 Forum as an observer.

24 August 1998

CLIMATE CHANGE

1. The Forum recognised and endorsed members' deep concerns regarding the impact of greenhouse gas emissions on rising sea levels and changing weather patterns on all Forum members, especially low lying island nations, as recorded in the "Forum Leaders' Statement on Climate Change" issued at the 28th South Pacific Forum and the "Statement on Climate Change and Sea Level rise" issued by the 7th Economic Summit of Smaller Island States Leaders.
2. The Forum recognised the legally binding commitments agreed in the Kyoto protocol as a significant first step forward on the path of ensuring effective global action to combat climate change.
3. The Forum encouraged all countries to sign the Kyoto Protocol and to work toward its earliest possible ratification.
4. The Forum urged that the momentum achieved in Kyoto be maintained and built upon at the Fourth Conference of the Parties (COP4) to the Framework Convention on Climate Change in Buenos Aires in November 1998.
5. The Forum highlighted the importance of implementation of measures to ensure early progress toward meeting these commitments. They urged all Annex 1 Parties, especially the United States, European Union, Russia, Japan, Canada and other major emitters to take urgent action in this regard.
6. The Forum called for the achievement of substantial progress in establishment of the rules for international implementation mechanisms, particularly emissions trading, the Clean Development Mechanism and Joint Implementation to ensure that these mechanisms assist the effectiveness of greenhouse gas reduction efforts in the attainment of Kyoto commitments.
7. The Forum noted the recognition in the Kyoto Protocol of the importance of the adaptation needs of vulnerable Pacific Island states. Leaders urged all parties to recognise the need for adaptation measures to be undertaken within Pacific Island States. They called for adequate resources to be generated through the implementation mechanisms of the Kyoto Protocol and the Global Environment Facility for the full range of adaptation measures.
8. The Forum recognised the importance of COP4 initiating work to develop verifiable, enforceable, effective and transparent accountability mechanisms through emissions inventory monitoring, recording and reporting requirements, and supported the need for an effective compliance regime to back the legally binding commitments under the Kyoto Protocol. They called for work to commence at COP4 on the elaboration of procedures and mechanisms for non-compliance with the Protocol.

9. The Forum stressed that an effective global response to the problem of climate change required ongoing active cooperation and strengthened action by all countries, in accordance with the principles of the UNFCCC, including of their common but differentiated responsibilities and respective capabilities and that developed country parties should take the lead in combatting climate change and the adverse effects thereof. The Forum commended recent work done by SPREP in support of PIC's in their international negotiations and recommended that this continue. The Forum stressed the urgent need to initiate a process to develop procedures and future time frames for wider global participation in emission limitation and reduction efforts in which significant developing country emitters would enter into commitments which reflect their individual national circumstances and development needs.
10. The Forum recommended that these positions should be actively advocated by Forum member countries and the Forum Chair, who would work together to advocate these positions to other countries and any broad grouping that members can influence in the lead up to, and at, COP4 in Buenos Aires and beyond.