



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

CHAIRMAN'S SUMMARY

SPECIAL SENIOR OFFICIALS MEETING (S-SOM)

**Manado, Indonesia
14-15 May 2014**

Adopted by
The Governments of Indonesia, Malaysia, Papua New
Guinea, the Philippines, Solomon Islands and
Timor-Leste

I. Opening Session

The Special Senior Officials Meeting (Special SOM, hereinafter referred to as "Meeting") of the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) was held in Manado, Indonesia from 14th to 15 May 2014. The Special SOM is part of the CTI-related events held in conjunction with the World Coral Reef Conference (WCRC) from 13-16 May 2014. The other CTI-related activities included: (1) the Coordination Mechanisms Working Group (CMWG) meeting, (2) Coral Triangle Marine Protected Area System (CTMPAS) Launch, (3) Coral Triangle Women Leaders Forum, (4) Sustainable Financing Architecture and Stock-take on 13 May, (5) the Fifth CTI-CFF Ministerial Meeting on 14 May and (6) Inauguration of CTI-CFF Center Building to cap the week-long event.

The Special SOM was opened to CTI-CFF partners and observers and had the following goals:

1. To conclude the process of signing and ratification of the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF;
2. To confirm the finalization of handover process of Chairmanship of the CTI COM from Malaysia to PNG;
3. To deliberate report from Executive Director Appointment Committee and to recommend the appointment of the Executive Director of CTI-CFF Regional Secretariat;
4. To recommend the priority deliverables of CTI Executive Director for 2014-2015;
5. To recommend steps to be undertaken prior to the commencement of the Executive Director;
6. To endorse the 2014 and 2015 Operations Plan and Budget of the CTI-CFF Regional Secretariat (and indicative 2016 and 2017 Operations Plan and Budget);
7. To review and appraise the progress made in the development of the CTI-CFF Financial Architecture;
8. To review and propose coordination between the Regional Secretariat and other CTI-CFF bodies (working groups, NCCs, partners, SOM, CTI-COM, etc);
9. To endorse the CTI COM report during the period of Malaysia's chairmanship;
10. To endorse the establishment of Threatened Species Working Group;
11. To report on the status of application of Brunei Darussalam as a Party to the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF;
12. To endorse the establishment of CTI-CFF Women Leaders' Forum; and
13. To recommend the agenda and session presenters for the 5th Ministerial Meeting (MM-5) and Joint Ministerial Statement.

The chair of the Committee of Senior Officials (CSO) Dato' Dr Rosli bin Mohamed, Secretary General of the Ministry of Science, Technology and Innovation (MOSTI) of Malaysia, delivered the CSO Chair's Greetings and Remarks to officially open the Meeting. He also chaired the subsequent sessions of the Special Senior Official

Meeting. Dr. Gellwynn Jusuf, Director General of Capture Fisheries of the Ministry of Marine Affairs and Fisheries (MMAF) gave welcome remarks on behalf of the Government of Indonesia as host country and the Province of North Sulawesi. Following brief introduction of country delegations, Dato' Dr Rosli bin Mohamed who chaired the opening session with Prof. Dr. Sjarief Widjaja as co-chair reviewed and adopted the agenda with additional items for discussion under other matters which includes handing out certificates of appreciation.

II. Decisions

1. Progress Report of CTI-CFF Activities since SOM9

The Meeting appreciated the efforts made by the Interim Regional Secretariat (IRS) and noted the progress and tremendous achievements made since the 9th Senior Officials Meeting (SOM9) in November 2013. (*Annex 1*)

2. Recommendation to the Ministerial Meeting on Report of Malaysia's Leadership as the Chair of CTI-CFF Council of Ministers

Noting the leadership provided by Malaysia as chair of the CTI COM from November 2011 to May 2014, the Meeting acknowledged the accomplishments during the period of its incumbency and endorsed to the CTI COM the acceptance of the report during Malaysia's chairmanship. (*Annex 2*)

3. Status of Agreement on CTI-CFF Regional Secretariat Establishment

Acknowledging the excellent progress made by Malaysia, Indonesia, Timor Leste and Solomon Islands on ratification, the Meeting noted the progress made by the Philippines and Papua New Guinea in signing the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF and their respective ongoing domestic ratification processes. (*Annex 3*)

4. Appointment of Regional Secretariat Executive Director

Acknowledging the report prepared by the Appointment Committee, the Meeting deliberated and failed to reach a consensus to appoint an Executive Director of CTI-CFF Regional Secretariat and instead decided to inform the CTI COM of the status. (*Annex 4*)

5. ED's Priority Deliverables for 2014-2015 and Draft 5th Ministerial Meeting Resolution on Facilitation of Transition Process Prior to the Commencement of the Executive Director

The Meeting tasked the Executive Director with specific priority deliverables stipulated in the 2014 Operations Plan and Budget. In addition, subject to the

effectivity of the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF, the Meeting recommended to the CTI COM to approve a resolution authorizing the existing Interim Regional Secretariat to setup necessary administrative and financial management systems such as preparatory activities towards the opening of a bank account for the Regional Secretariat in an instance where the Executive Director is not yet in place. (*Annex 5*)

6. Regional Secretariat 2014 and 2015 Operations Plan and Budget

For the 2014 Operations Plan and Budget, the Meeting recommended that the CTI COM adopts the plan as presented and that the Coral Triangle countries submit their respective assessed contributions for 2014 once the Agreement on the Regional Secretariat of CTI-CFF is effective and respective domestic processes are completed. (*Annex 6*)

The Meeting further recommended that the CTI COM endorses the 2015 Budget for the Regional Secretariat of \$822,638, in line with the indicative Operations Plan and Budget and that the Coral Triangle countries timely initiate domestic processes and pay their respective assessed contribution based on the Financial Regulations by 31 January 2015.

In addition, the Meeting tasked the Executive Director of the Regional Secretariat with developing annual Operations Plans for 2016 for adoption of the CTI Council of Ministers by November 2014 and 2017 for adoption of the CTI Council of Ministers by November 2015.

7. Handover of CTI-CFF COM Chairmanship

The Meeting recommended to CTI COM that Papua New Guinea and the Philippines assume respectively the chairmanship and vice-chairmanship of the CTI Council of Ministers for the period of two years, from 16 May 2014 to 16 May 2016 or such a time when the Ministerial Meeting will be held after 16 May 2016. (*Annex 7*)

8. Establishment of the Threatened Species Working Group

The Meeting recommended the establishment of the Threatened Species Working Group and endorsed its Terms of Reference to be chaired by Malaysia effective immediately. (*Annex 8*)

9. Mechanism of Cooperation with Other Organization and Status of Brunei as Party to CTI-CFF Agreement

The Meeting acknowledged that the Regional Secretariat of CTI-CFF can establish cooperation arrangements with international organizations through a Memorandum of Understanding (MOU), as such endorsed that the CTI COM

gives authority to the Regional Secretariat of CTI-CFF to enter cooperation agreement with SEAFDEC and FAO subject to the affectivity of the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF. (*Annex 9*)

In addition, the Meeting agreed as an observer while Brunei Darussalam is in the process of completing the requirements under Rule 21 of the CTI-CFF Rules of Procedure as a Party. (*Annex 9*)

10. CT Women Leaders' Forum

Reaffirming the role of women as integral to CTI-CFF Regional Plan of Action, the Meeting endorsed the establishment of the CTI-CFF Women Leaders' Forum and recognizes its initiatives. (*Annex 10*)

11. Agenda for the Fifth Ministerial Meeting (MM5) and Joint Ministerial Statement

The Meeting recommended that CTI COM adopts the Agenda of the Fifth Ministerial Meeting and issue the Joint Ministerial Statement. (*Annex 11*)

12. Other Matters

The Meeting recommended that CTI-CFF gives appreciation to the President of the Republic of Indonesia, Dr. Susilo Bambang Yudhoyono for his exemplary leadership and vision. (*Annex 12*)

In addition, the Meeting recommended CTI-CFF gives appreciation to the Chair of the CTI COM from November 2011 to May 2014, Datuk Dr. Ewon Ebin, Minister of Science, Technology and Innovation, Malaysia. (*Annex 13*)

Further, the Meeting recommended CTI-CFF to give appreciation in the next SOM to Mr. Freddy Numberi, the Former Minister of Marine Affairs and Fisheries of Indonesia from 2004-2009 and the pioneering Chair of the CTI COM. (*Annex 14*)

13. The Meeting agreed to convene SOM 10 from 5-7 November 2014 in Dili, Timor Leste

14. The heads of delegations of the Coral Triangle Countries and Partners thanked the Government of the Indonesia for hosting the Meeting.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex –1 Decision Document on Session #2:

Progress Report of CTI-CFF Activities since SOM9

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

**14 MAY 2014
MANADO, INDONESIA**

**Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste**

I. Background

The CTI-CFF Interim Regional Secretariat (IRS) presented progress of CTI-CFF activities since the Ninth Senior Officials Meeting (SOM9) in Manila such as the following:

- (1) facilitation of WG meetings and the conduct of the First Seascapes Regional Exchange;
- (2) facilitation of CTI-COM activities;
- (3) coordination with countries to expedite the signing and ratification of the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF (CTI Agreement); and
- (4) reorganization of the Secretariat and personnel.

Some events and activities that were facilitated by the IRS in the last four months of 2014 are as follows:

1. Recruitment and selection of candidates for Executive Director of the CTI-CFF Regional Secretariat;
2. The convening of a series of CTI-CFF Appointments Committee Meeting on 18 February in Putrajaya, Malaysia; 27 March in Jakarta, Indonesia and; 22 April in Bali, Indonesia to move forward with the selection of CTI-CFF Executive Director;
3. The conduct of CTI-CFF of two Coordination Mechanisms Working Group (CMWG) Meetings on 19-20 February 2014 in Putrajaya, Malaysia and on 21 April, 2014 in Bali, Indonesia to prepare the operations plan and budget of the permanent Regional Secretariat as well immediate steps to take prior to the commencement of Executive Director;
4. The conduct of CTI-CFF 1st Regional Exchange on Seascapes, 8-10 April 2014 in Quezon City, Philippines;
5. The conduct of consultation with Marine Protected Area Working Group Chair, Development Partners and Interim Regional Secretariat on 20 January 2014 to move forward with the CTMPAS implementation;
6. The continued coordination with the countries to follow up on the signing and ratification processes through:
 - a. meeting with the CTI-CFF COM Chair on 6 February 2014;
 - b. meeting with Minister of Agriculture and Fishery of Timor Leste on 17 February 2014;
 - c. signing of the Agreement and meeting with Secretary of Department of Environment and Natural Resources of the Philippines on 3 March 2014;
 - d. support given to Ministry of Marine Affairs and Fishery of Indonesia, Cabinet Secretariat, Ministry of Foreign Affairs, and Ministry of Justice and Human Rights for the signing of Presidential Decree on ratification of the Agreement on 11 March 2014
 - e. meeting with Minister of Agriculture and Fishery and Vice Minister of Foreign Affairs and Cooperation of Timor Leste on 19 March 2014;

- f. meeting with Executive Director of Ocean Concerns Office of the Department of Foreign Affairs of the Philippines on 8 April 2014;
 - g. preparation of letters sent to Ministers of Timor Leste, the Philippines, Papua New Guinea and Solomon Islands.
7. The preparation of following agenda conducted under the framework of World Coral Reef Conference (WCRC):
- a. CTI-CFF Related/Side Events to be held on 13 May 2014, i.e.:
 - Coordination and Mechanism Working Group (CMWG) Meeting;
 - Executive Director Appointment Committee (ED-AC) Meeting ;
 - Coral Triangle Marine Protected Area Systems (CTMPAS) Launching;
 - Coral Triangle Women Leaders Forum (CTWLF);
 - CTI-CFF: Sustainable Financing and Stock take
 - b. Special Senior Officials (SOM) Meeting to be held on 14-15 May 2014;
 - c. 5th Ministerial Meeting (MM-5) to be held on 15 May 2014.
 - d. Inauguration of CTI-CFF Center Building to be held on 16 May 2014.

II. Decision

Based on presentations made by the IRS and discussions during the session on *Progress Report* at Special SOM, the Senior Officials hereby:

1. Appreciate the effort made by the IRS to facilitate the signing and ratification of the CTI Agreement;
2. Note the progress and achievements made by the IRS since the 9th Senior Officials Meeting (SOM9) in November 2013 to transition into a permanent Regional Secretariat.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex –2 Decision Document on Session #3:

Recommendation to the Ministerial Meeting on Report of Malaysia’s Leadership as the Chair of CTI-CFF Council of Ministers

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

**14 MAY 2014
MANADO, INDONESIA**

**Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste**

I. Background

Malaysia presented the summary of accomplishments during the incumbency of Malaysia as the Chair of the CTI COM from the period October 2011 to May 2014, the last six months being a holdover capacity as recommended by SOM9.

The presentation is based on the *Summary Report: Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security from 2009-2013* prepared by the CTI CFF Interim Regional Secretariat.

II. Decision

Based on presentations made by the Malaysia and discussions during the session on *Recommendation to Ministerial Meeting on Report of Malaysia's Leadership as CTI-COM Chair*, the Senior Officials hereby:

1. Appreciate the leadership provided by Malaysia by chairing the CTI COM.
2. Recommend to CTI-COM to acknowledge and accept the report of Malaysia's Chairmanship in CTI-COM.
3. Task the Interim Regional Secretariat or the permanent Regional Secretariat whichever is operational during the period of incumbency, to continue to assist the CTI-COM Chair to speedily address outstanding issues, priorities and actions.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex –3 Decision Document on Session #4:

Status of Agreement on the Establishment of CTI-CFF Regional Secretariat

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

**14 MAY 2014
MANADO, INDONESIA**

**Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste**

I. Background

Each Country Delegate has presented the status in regard signing and ratification of the Agreement on Establishment of CTI-CFF Regional Secretariat which can be summarized as follows:

- All the six countries have signed the CTI agreement.
- Three of the six countries namely Indonesia, Malaysia, and Timor Leste have completed its domestic ratification process.

II. Decision

Based on report made by each Country Delegate and discussions during the session on *Regional Secretariat Establishment* at Special SOM, the Senior Officials hereby :

1. Acknowledge the status of ratification made by Malaysia, Indonesia and Timor Leste.
2. Acknowledge the signing of the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF by the Philippines, Solomon Islands and Papua New Guinea and take note of the progress of the ratification processes undertaken by the respective countries.
3. Take note of conditional statement made by Papua New Guinea encouraging Coral Triangle countries to establish in-country financial facilities to support implementation of CTI-CFF programs (Attachment A of Annex 3).
4. Take note the status of the Solomon Islands ratification subject to confirmation by the Minister.



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CONDITIONAL STATEMENT

The Government of Papua New Guinea agreed to sign the “Agreement on The Establishment of the Regional Secretariat of Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security” based on this condition.

All CTI-CFF countries are encouraged to establish in country financial facilities approved by their governments to support the implementation of any CTI-CFF implementation from the Regional Secretariat as directed by the Council of Ministers and to accept and receive any funds allocated for the implementation of country activities direct to this facilities by the Regional Secretariat and donors.

.....
Hon. JOHN PUNDARI, MP
Minister for Environment and Conservation and Climate Change

Dated: 9th May 2014



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex –4
Decision Document on Session #5:
Appointment of Executive Director of CTI-CFF
Regional Secretariat

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

14 MAY 2014
MANADO, INDONESIA

Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste

I. Background

The CTI-CFF Appointment Committee (AC) with support from the Australian Government and the assistance of the recruitment firm who also serves as AC facilitator presented the outcomes of the selection and recruitment process. This process is pursuant to the previous decisions by the SOM9 which included the following actions:

- *Agree that the process to select an Executive Director for the permanent Regional Secretariat should be initiated, with a view to appointing an Executive Director by the date of the MM5 in May 2014.*
- *Agree that the Executive Director shall serve for the period May 2014-December 2015 with the possibility of extension by the CTI-COM and shall focus on the institutional building of the Regional Secretariat.*
- *Endorse the Terms of Reference: Appointment Committee for an Executive Director (Attachment 1), which spells out the membership of the committee and other information relevant to the process of recruiting an Executive Director.*
- *Agree that CTI countries shall each nominate one member to the Appointment Committee and that they shall submit their nominations to the IRS no later than 20 December 2013.*
- *Recommend that a meeting of the CTI-COM be held in May 2014 to confirm the appointment of the Executive Director.*

On the basis of this SOM9 decision, the AC was convened four times to undertake recruitment and selection of appropriate candidates who responded to the advertisement. The selection process undertaken by the AC which resulted in the shortlisting and ranking of the candidates as follows:

II. Decision

Based on presentations made by the Appointment Committee and discussions during the session on *Regional Secretariat Establishment* at Special SOM, the Senior Officials hereby:

1. Acknowledged the report prepared by the Appointment Committee.
2. Failed to reach a consensus to appoint an Executive Director of CTI-CFF Regional Secretariat and instead decided to inform the CTI COM of the status.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex –5 Decision Document on Session #6:

**ED's Priority Deliverables for 2014-2015 and Draft 5th
Ministerial Meeting Resolution on Facilitation of
Transition Process Prior to the Commencement of the
Executive Director**

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

**14 MAY 2014
MANADO, INDONESIA**

**Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste**

I. Background

Many immediate targets need to be accomplished to successfully establish the institutional structure needed to support the permanent CTI-CFF Regional Secretariat in Manado as a functioning entity with the basic staffing, effective operating systems, and secured finances in place to provide a platform for future growth and the effective discharge of CTI-CFF functions.

Executive Director of the Regional Secretariat is put at the helm who is expected to focus on provision of deliverables in some priority areas.

II. Decision

Based on presentations made by the Appointment Committee and discussions during the session on ED's Priority Deliverables for 2014-2015 and Draft 5th Ministerial Meeting Resolution on Facilitation of Transition Process Prior to the Commencement of the Executive Director, the Senior Officials hereby:

1. Task the Executive Director with some immediate tasks stipulated in Operational Plans and Budget for 2014 and 2015 that may include but not limited to:
 - a. Completing the institutional framework that includes finalisation of a draft Host Country Agreement and facilitating completion of the Establishment Agreement ratifications and signing.
 - b. Establishing the Regional Secretariat office and systems on location in Manado.
 - c. Completing the transfer of responsibilities from the Interim Regional Secretariat.
 - d. Implement 2014 and 2015 Operations Plan and Budget, and mobilise financial and other resources for its implementation (including country contributions).
 - e. Maintaining CTI-CFF services and functions as stipulated in 2014 Operations Plan and Budget for the Regional Secretariat of the CTI-CFF.
 - f. Recruitment of core staff.
 - g. Fund raising.
2. Recommend to the Council of Ministers to approve a resolution (Attachment A of Annex 5) to facilitate the transition process prior to the commencement of the Executive Director.

Attachment A of Annex 5

The CTI Council of Ministers,

Upon review of the recommendations of the CTI Committee of Senior Officials at the Special Senior Officials' Meeting in Manado, Indonesia (14 and 15 May 2014);

Subject to the Entry into Force of the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF;

Has decided the following:

1. That the IRS be empowered to undertake the following actions:
 - a. To procure such items and services as are necessary for the operation of the CTI-CFF Regional Secretariat on an ongoing basis. Such items may include:
 - i. Office furniture;
 - ii. Computers, printers and related infrastructure;
 - iii. Stationary; and
 - iv. Appropriate accounting software;
 - b. To arrange for the connection of necessary utilities to the premises of the permanent Regional Secretariat including:
 - i. Electricity;
 - ii. Water;
 - iii. Telephone; and
 - iv. Internet;
 - c. To arrange for such administrative support as necessary, providing such support be contracted for a period no longer than until 31 August 2014; and
 - d. To arrange necessary banking accounts, for the effective operation of the permanent Regional Secretariat.
2. That the IRS shall report regularly to the Chair of the CTI COM as to their activities, and that all expenditure should be based on the 2014 Operations Plan and Budget and be approved by the Chair of the CTI COM or their delegate prior to being incurred.
3. The Chair of CTI Committee of Senior Officials may empower the IRS with such other powers as may be necessary and convenient for the setting up of the permanent Regional Secretariat in accordance with the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex – 6 Decision Document on Session #7:

Regional Secretariat 2014 and 2015 Operational Plan, Budget, and Host Country Agreement

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

**14 MAY 2014
MANADO, INDONESIA**

**Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste**

I. Background

The CTI-CFF Coordination Mechanisms Working Group (CMWG) through its chair presented the following updates for consideration by the Special SOM:

- Draft operational plan, budget and staffing as initially discussed at the CMWG meeting held in Putrajaya, Malaysia on 18 February, 2014 and further deliberated in the CMWG meeting done in Bali, Indonesia on 22 April and most recently in Manado, Indonesia, on 13 May 2014.

II. Decision

Based on presentations made by the CTI-CFF CMWG Chair and discussions during the session on *Regional Secretariat 2014 and 2015 Operations Plan and Budget* at Special SOM, the Senior Officials hereby:

On the 2014 Operations Plan and Budget

1. Recommend to the CTI Council of Ministers (CTI COM) that the 2014 Operations Plan and Budget for the Regional Secretariat in Attachment A of Annex 6 (including the salary schedule in Appendix 5 of Attachment A of Annex 6) be adopted in accordance with the Secretariat Establishment Agreement and Financial Regulations.
2. Recommend to the CTI COM that the assessed contributions for 2014 be determined under the Financial Regulations to be:

	USD \$
Indonesia	189,420
Malaysia	100,806
Papua New Guinea	56,877
Philippines	90,474
Solomon Islands	54,968
Timor Leste	55,752
Total	548,296

3. Recommend to the CTI COM to urge that CTI Members submit their assessed financial contributions as soon as possible and by 1 August 2014 upon set up of the Secretariat bank account to ensure timely implementation of the 2014 Operations Plan.
4. Recommend to the CTI COM that it agree that, where a CTI-CFF Member is able to provide more than its assessed contribution, the additional amount should be treated as voluntary additional contribution and applied towards the cost of the approved Operations Plan and Budget of the Regional Secretariat.

5. Review the proposal of Indonesia to reduce the assessed contribution of Indonesia by \$29,000 which is being mobilized by Indonesia in the form of fit out of the Secretariat building (Communications/Telephone and Internet connections and costs, office supplies, furniture and office equipment, IT system server, software, and cabling).
6. Request that CTI Partners and other donors consider providing voluntary contributions towards the costs of the approved Operations Plan and Budget.

II. On the 2015 Operations Plan and Budget

1. Recommend to the CTI COM the 2015 Budget for the Regional Secretariat of \$822,638, in line with the indicative Operations Plan and Budget in Attachment B of Annex 6.
2. Recommend to the CTI COM that CTI-CFF Members commit to paying their assessed contributions towards the 2015 budgets as follows:

Country	Assessed Contribution (US\$)
Indonesia	284,197
Malaysia	151,244
Papua New Guinea	85,355
Philippines	135,744
Solomon Islands	82,471
Timor Leste	83,647
Total	822,638

3. Recommend to the CTI COM to urge that CTI Members immediately initiate domestic processes to make their 2015 assessed financial contributions, and that those contributions should be received by 31 January 2015 to ensure timely implementation of the 2015 Operations Plan.

III. On the 2016 and 2017 Operations Plan and Budget

1. Recommend tasking the Executive Director of the Regional Secretariat with developing annual Operations Plans for 2016 (for adoption of the CTI Council of Ministers by November 2014) and 2017 (for adoption of the CTI Council of Ministers by November 2015) based on the indicative budget figures outlined in Attachment B of Annex 6.

Year	Regional Secretariat Total Budget (USD)
2016	\$1,059,661
2017	\$1,203,482



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

2014 Operations Plan and Budget for the Regional Secretariat of the CTI-CFF

**A plan to guide the establishment phase of the permanent CTI-CFF
Regional Secretariat**

Revised 13 May 2014

Contents

1	The Planning Context	3
2	2014 Operations Plan Goal	4
3	Operations Plan Timeframe	4
4	Priority areas of work for 2014	4
5	Staffing Requirements	5
	5.1 Staff Structure	5
	5.2 Staff Salary Scales	5
	Figure 1. Initial permanent Regional Secretariat Structure for 2014. N.B. Shaded positions are temporary.	6
6	2014 Operations Budget and Resourcing Strategy	6
	6.1 Operations Budget	6
	6.2 Resourcing Strategy	7
7	2014 Operations Plan - Summary of Key Actions	8
	Appendix 1 Initial 2014 Establishment Budget	9
	Appendix 2 Resourcing Strategy for 2014 Initial Establishment Budget	9
	Appendix 3 Checklist of Action Items for Establishment of Permanent Regional Secretariat 2014	19
	Appendix 4. Procurement Plan for Capital Equipment	26
	Appendix 5. Recommended Salary Scale for permanent Regional Secretariat	28
	Attachment 1 - 2014 Regional Secretariat Establishment Scenario and Priorities	30
	Completing the Institutional Framework	30
	Finalisation of a draft Host Country Agreement	30
	Facilitating completion of the Establishment Agreement ratifications	30
	Establishing the Regional Secretariat Office and Systems on location in Manado	31
	Establishing Financial Management, Payroll /HR and IT Systems for the Regional Secretariat	31
	Fit out of CTI-CFF Regional Secretariat and CTI Centre Building - Manado	33
	Manado Building - Insurance, Maintenance, and Servicing	33
	Insurances	34
	Vehicles	34
	Completing the Transfer of Responsibilities from the Interim Regional Secretariat	35
	Develop 2015 operations plan and budget, and mobilise financial and other resources for its implementation (including country contributions)	35
	Maintaining CTI-CFF Services and Functions	35
	Staffing Requirements	36
	Initial Staff positions	37

Executive Team - Executive Director	37
Critical Professional Staff	38
Finance Manager	38
Office/Operations Manager	39
Local support staff	39
Professional/Programme Staff	40
2014 Indicative Budget and Funding	41
Budget and Explanation	41
Operating Expenses	41
Capital Expenditure	41
Contracts	42
Staffing	42
Travel and Meetings	42
Addressing staffing and budget needs	43

THE PLANNING CONTEXT

In 2007 President Yudhoyono of Indonesia proposed a new multilateral partnership to safeguard the globally important marine and coastal resources of the Coral Triangle. In 2009 the leaders of the six Coral Triangle countries, Indonesia, Malaysia, Philippines, Timor Leste, Papua New Guinea and the Solomon Islands met in Manado, Sulawesi Indonesia and fully endorsed the CTI-CFF calling for the establishment of a permanent Regional Secretariat to support the implementation of a CTI CFF Regional Plan of Action.

Since 2009 progress has continued towards the establishment of the permanent Regional Secretariat, which is now widely seen as being the most critical priority for the Special SOM and Council of Ministers.

Although there remains uncertainty around the actual timeframe for bringing the Establishment Agreement into force, it is anticipated this will be achieved by mid May 2014 at the Special SOM and MM5. With this in mind, and to prepare the way for the establishment of the permanent Regional Secretariat, it was decided at SOM 9 in November 2013 to further pursue key planning and activities to bring the Secretariat into existence. Foremost amongst these was the decision to proceed with the appointment of an Executive Director to facilitate this process through 2014 and 2015, and to also prepare an initial Operations Plan, including a staffing structure and budget to guide the work of the Executive Director and newly appointed staff for the first six months of operations, anticipated to be 1 July - 31 December 2014.

This draft Operations Plan and budget addresses this initial establishment period. It assumes the four ratifications needed to bring the Establishment Agreement for the permanent Regional Secretariat of the CTI-CFF into force will be completed prior to 1 May 2014. It also assumes the CTI - CFF priority is to establish an institutional base sufficient to support the Regional Secretariat's basic functions and importantly, ongoing growth and development in Manado, Sulawesi, Indonesia, utilising the building provided by the Indonesian Government for this purpose.

To enable the development of the Operating Plan an indicative organisational scenario/staffing structure has been developed to identify probable recruitment priorities and likely staff costs. This is a basic level variant of one of the several scenarios prepared for the original Transition Plan and indicative budgets which informed CT6 deliberations on the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF. It is considered the absolute minimum needed for the Regional Secretariat to begin to function effectively and provide institutional foundations on which to build the Secretariat over the 2015 -2020 period. It is considered that it can realistically be established by December 2014.

There are several assumptions made and related issues which have surfaced during the preparation of the Operational Plan and Budget. Key information is not available, including the levels of financial and other support being offered by the Indonesian Government under the still to be finalised Host Country Agreement, especially protocols for managing the building in Manado. Salary costs for the Executive Director and other professional and support staff are derived from the proposed salary structure developed by the Hay Group, Jakarta, Indonesia which has still to be approved as required under the Financial Regulations. Other unknowns include the cost of utilities, housing, security and other locally sourced services in Manado. Estimates have been made based on the original indicative budgets and costs sourced in Manado.

The Plan assumes that although the Establishment Agreement will be in effect at or before the May 2014 Special SOM meeting, thus providing the legal framework under which an Executive Director can be formally appointed and other staff employed, it is possible that he/she will not take up the appointment until 1 July 2014.

A key issue to be addressed is the need for the financial management and associated HR/payroll system to be in place prior to Executive Director and Secretariat staff being appointed to effect and account for transactions and access funds for salary payments as well associated early set up costs e.g. purchases of equipment. This is important, as there must be separation of authorisations relating to banking and financial expenditures from day one of the Secretariat's operations to ensure accountability for CT6 funds and compliance with the Financial Regulations. The Operations Plan offers possible solutions to this and other initial operational and timing issues.

2014 OPERATIONS PLAN GOAL

To successfully establish the institutional structure needed to support the permanent CTI-CFF Regional Secretariat in Manado as a functioning entity with the basic staffing, effective operating systems, and secured finances in place to provide a platform for future growth and the effective discharge of CTI-CFF functions.

OPERATIONS PLAN TIMEFRAME

The primary timeframe for the implementation of the Operation Plan is 1 July - 31 December 2014. However, Special SOM will need to take account of the essential activities which need to take place in the initial set up phase from May to 1 July (or the date of formal appointment of the Executive Director) to provide the basic platform for operations.

PRIORITY AREAS OF WORK FOR 2014

Attachment 1 provides a description of the priority areas of work for establishing and operating the permanent Regional Secretariat in 2014. These are summarised as :

- Completion of the institutional framework for the Regional Secretariat
 - Finalise and sign a Host Country Agreement
 - Facilitate completion of the Secretariat ratification process
 - Recruit an Executive Director

- Establishment of the Regional Secretariat Office and systems in Manado
 - Establish financial management system
 - Establish IT system
 - Establish Secretariat administrative processes
 - Fit out the Secretariat building, arrange insurances etc
 - Complete handover from the interim Secretariat
 - Develop 2015 operations plan and budget, and mobilise financial and other resources for its implementation (including country contributions)

- Maintenance of core Secretariat functions

- Maintain the CTI regional roadmap
- Facilitate regional meetings
- Facilitate regional communications and representation
- Facilitate CTI strategic planning
- Liaison with CTI Partners, and potential partners/supporters to mobilise support for CTI implementation.

STAFFING REQUIREMENTS

5.1 Staff Structure

A proposed staffing structure for the secretariat to be established in 2014 is described in the Organisation Chart below. The Chart with associated staff positions is the basis for the budget estimates with staff costs being adjusted according to the estimated time needed for recruitment between 1 July and 31 December. The rationale and justification for the positions is explained in the section on Staffing Requirements in Attachment 1. Central to the establishment strategy is the proposal to contract two individuals to temporary positions of Coordinator and Finance Advisor to ensure the early set up of Secretariat financial and payroll systems are in place before the Executive Director and other staff engaged. The Coordinator will have authority to undertake necessary purchases, arrange services, establish a bank account and organise administrative support in the period leading up to the Executive Director taking up his/her appointment. The original version of the Organisation Chart has been modified to reflect the views of the CMWG Meetings in February and April 2014.

5.2 Staff Salary Scales

Regulation 20.1 and 20.2 of the Staff Regulations require that:

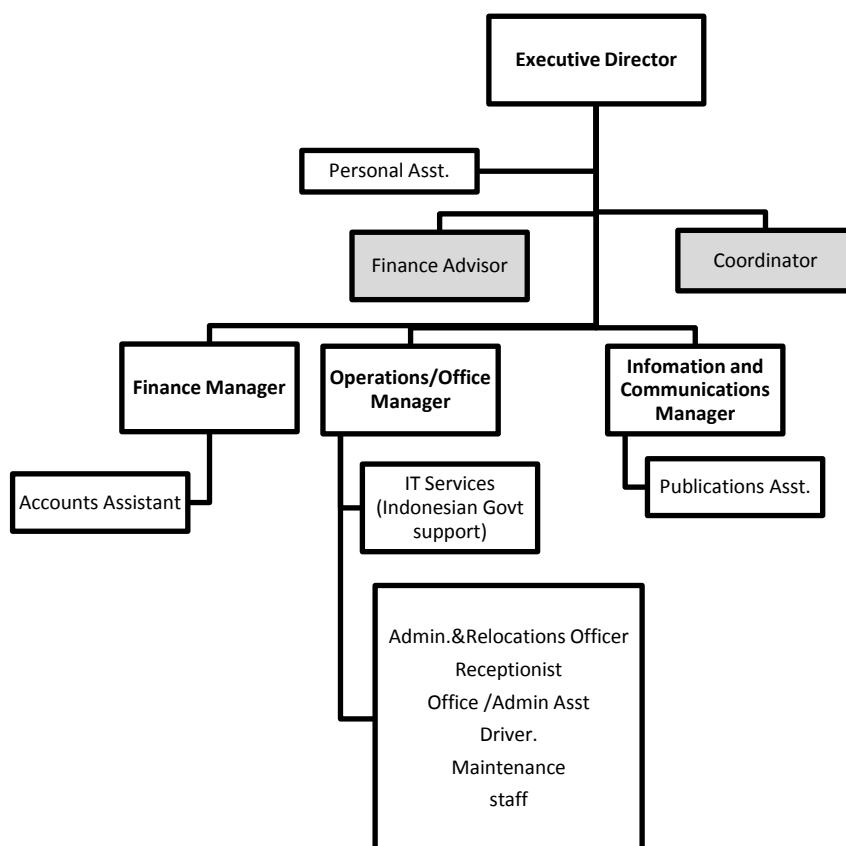
1. Current salary scales approved by the CTI COM or CTI CSO are to be set out in Schedule to be annexed to these Regulations and shall be incorporated annually into the Secretariat's Work Programme and Budget.

2. The Executive Director shall have flexibility to appoint Professional and Support Staff to whatever salary step is considered appropriate by the Executive Director within the designated salary grade.

To assist the COM and CSO with the identification and approval of a salary scale for the initial permanent Regional Secretariat, the Hay Group, Jakarta, Indonesia was contracted with the support of the Australian Government, to carry out surveys of salaries for appropriate organisations in the Government, Non Government, Multilateral and Private sectors and design an initial recommended salary scale. The Hay Group report and the recommended salary scale will be made available to the special SOM for consideration. The proposed salary scale is attached as **Appendix 5** of the Operations Plan and is recommended for adoption as the required Schedule to the Staff Regulations. **Appendix 6** illustrates how the various salary levels are applied to the permanent Regional Secretariat.

The recommended salary scales have been used to inform the 2014 and 2015 Operations Planning and Budgeting process and the various scales are noted against each budgeted staff position in the Budgets.

Figure 1. Initial permanent Regional Secretariat Structure for 2014. N.B. Shaded positions are temporary.



6 2014 OPERATIONS BUDGET AND RESOURCING STRATEGY

6.1 Operations Budget

Table 1 provides a summary of the estimated Operating Budget for 2014. Further details of the Categories are available in Appendix 1. This proposed budget has been revised in line with comments arising from the CMWG meetings in February and April 2014 from USD 569,861 to USD 548,296.

The budget also identifies the essential early set up expenses of USD 158,850 needed to ensure the Secretariat can operate from the date the Executive Director formally takes up his appointment which is expected to be 1 July 2014. These are also identified in detail in Appendix 1.

Table 1. 2014 Proposed Operating Budget Summary

BUDGET CATEGORY	Total for Initial Establishment Period (May - Dec 2014)	Essential Pre 1 July Expenses
OPERATING EXPENSES	52,150	17,000
CAPITAL EXPENDITURE	117,560	29,350
CONTRACTS	110,000	110,000
STAFFING		
Exec/Expat /Nationally Recruited Professional Staff	191,944	
Locally Recruited SupportStaff	11,642	
RECRUITMENT COSTS	10,000	2,500
TRAVEL AND MEETINGS	55,000	
	548,296	158,850

6.2 Resourcing Strategy

Appendix 2 identifies four **possible** sources of funding and other support resources for the 2014 budget. Currently the majority funding source is the CT6 member countries through assessed or extra budgetary sources. Other sources identified are the Indonesian Government (as additional host country contribution and support), and CT Partners and donors. The resourcing strategy in Appendix 2 reflects the current indications of **possible** support from these sources, with USD 482,316 being attributed to the CT6, USD 23,500 Indonesian support as Host Country and a **possible** USD 42,480, in Partner and donor contributions..

Table 2 illustrates the effect of applying the CTI-CFF formula for assessing CT6 contributions to the Regional Secretariat budget to the 2014 budget. It shows the country by country contribution both with and without possible resources from other sources. In the lead up to the Special SOM in May it is to be hoped that firm pledges and commitments from the CT6 will enable a more robust funding picture to be identified and presented to that meeting.

Note that the use of the International Monetary Fund 2011 World Economic Outlook figures to determine the relative size of GDP between the CT6 is required under Schedule 1 paragraph (c) of the Financial Regulations which requires that:

“The remainder of the total amount identified in paragraph (a) of this Schedule will be divided between the Parties based upon the relative size of their gross domestic product (GDP) as calculated by the most recent year for which GDP figures are available for all Parties.”

Examination of the IMF World Economic Outlook GDP (Current prices national currency) tables, expressed in USD, for the CT6 indicates that 2011 was the last year in which actual GDP figures were available for all CT6 countries, hence their use in this calculation.

Table 2. Application of CTI-CFF Regional Secretariat Assessed Contributions Formula to 2014 Budget

Assessed Contributions: 2014 Indicative Operations Budget - Resourcing Strategy 60:40 Funding Formula (2011 GDP*)				
Country	GDP (Billions) 2011*	Proportionate % Total CT6 GDP 2011*	60:40 Funding 2014 Full Budget US\$	60:40 Funding 2014 possible CT Portion Only US\$
Indonesia	846.159	61.36767634	189,420	166,626
Malaysia	289.046	20.96305939	100,806	88,675
Papua New Guinea	12.869	0.933324147	56,877	50,032
Philippines	224.095	16.25248851	90,474	79,587
Solomon Islands	0.869	0.06302422	54,968	48,353
Timor Leste	5.797	0.42042739	55,752	49,043
TOTAL	1378.835	100	548,296	482,316
60%			328,978	289,390
60%/CT6			54,830	48,232
40%			219,319	192,927

*IMF World Economic Outlook GDP 2011(current prices National currency) for CT6 countries in USD

7 2014 OPERATIONS PLAN - SUMMARY OF KEY ACTIONS

The initial development of the permanent Regional Secretariat as a functioning entity requires the completion of a number of key actions in the lead up to its establishment during 2014. **Appendix 3** contains a detailed **Checklist of Actions** needed to be completed to get the Secretariat up and running in the early establishment phase which will likely run from late May – through to August. This includes the recruitment of a Coordinator to undertake essential set up tasks prior to the formal employment of the Executive Director, including the establishment of the Financial Management and Payroll System, Bank Account and a number of other critical early establishment tasks. Appendix 3 is supplemented by **Appendix 4 Capital Equipment Procurement Plan** which will assist the Coordinator, Executive Director and other staff to acquire the equipment and services to support Secretariat early operations. **Attachment 1** provides further narrative explanation of each of these key actions and how they need to be synchronised in order for a smooth and legally acceptable transition from Interim to permanent Regional Secretariat to be achieved.

APPENDIX 1 INITIAL 2014 ESTABLISHMENT BUDGET

CTI -CFF Regional Secretariat - Initial Establishment Budget (19 May - 31 December 2014 including pre 1 July set up costs)			
BUDGET CATEGORY	Total for Initial Establishment Period (May -Dec)	Essential Pre 1 July Expenses	
OPERATING EXPENSES			Assumptions and notes
Insurances	10,000	10,000	Building & Equipment, Liability, Staff Travel and Insurance (est.)
Electricity & Water	12,000	2,000	2000/mth for 6 mths
Communications/Telephone and Internet connections and costs	4,500	1,000	/mobile/land line/internet
Office Supplies	1,000		basic supplies only
Publications and Printing	2,500		L/H /forms/business cards/Secretariat flyer
Audit	5,000		Required under Financial Regs
Bank Charges (International transactions /account operating fees)	2,000		Setting up account/transfers etc (reduced assessmentfor 6 mths)
Postage/Courier	500		
Vehicle Rental	2,250		25/day x 90 days
Vehicle Fuel and Maintenance	2,400		4 months running x 300/month x 2
Hospitality	2,000		6 months
Misc.	8,000	4,000	Contingency increased by 4K
Total Operating Expenses	52,150	17,000	

CAPITAL EXPENDITURE			
Vehicle Purchase (Toyota Avanza or similar)X2	42,000		Secretariat vehicle (provision for second vehicle for ED)
Furniture and Office Equipment	12,000		Indonesia Govt commitment to provide furniture and fit out?
IT System server, software,cabling	11,500		Indonesian Govt. to provide Server/UPS/ cables installation/software
Computers	12,250	5,000	Laptops @1.5k x4; Desktops@1.25K x5;
Software and licenses	29,810	22,350	Sage ACCpac FMS 20k ACCpac Norming Payroll 2,350; MSOffice Std.Open License 373@X20 7,460
Mobiles and Telephone system	10,000	2,000	Mobile Phones for Exec Dir and Finance, Operations Mgrs. PBX+ Tel system still required unless provided by Indo. Govt.
Total Capital Expenditure	117,560	29,350	
Total Operating and Capital	169,710	46,350	<i>Budget continued on next page</i>
CONTRACTS			
Consultancies FMS+Payroll installation and training	70,000	70,000	Finance / HR- Payroll system installation +training
Consultancy - Extn of IRS Coordinator	20,000	20,000	to be confirmed Possible payment by USAID
Consultancy - Temporary Finance support	20,000	20,000	Need to to be confirmed re FM recruitment
Consultancy - local IT services			
Total Contracts	110,000	110,000	
TOTAL OPERATING, CAPITAL AND CONTRACTS	279,710	156,350	
STAFFING			

Internationally Recruited Staff			
<i>Executive Director</i>	75,600		ED up to a maximum of \$12,600/month median rL23
Relocation	10,000		estimated
Benefits @ 30%	22,680		estimated
TOTAL Executive Director costs	108,280		
Expat /Nationally / Locally Recruited Professional Staff			
<i>Finance Manager</i>	15,840		6 mths @2,640 median L17
Relocation	10,000		estimated
Benefits @ 30%	4,752		estimated
TOTAL Finance Manager	30,592		
<i>Office/Operations Manager</i>	15,840		6 mths @2,640 median L17
Relocation	10,000		estimated
Benefits @ 30%	4,752		estimate
TOTAL Office/Operations Manager	30,592		
<i>Communications/Information Coordinator</i>	9,600		3 mths @3,200 median L18
Relocation	10,000		estimated
Benefits @ 30%	2,880		estimated
Total Communications and Information Coordinator			Note - this cost may be fully or partially supported by a

	22,480		Partner
Expat /Nationally / Recruited Professional Staff	83,664		
TOTAL Executive & Expat,National ProfessionalStaff	191,944	-	<i>Budget continued on next page</i>
Locally Recruited Support Staff			
Admin /Travel officer	1,350		3 mths X450 - median L10
Accounts Asst.	1,500		3 mths x500 - median L11
Receptionist	930		3 mths x310 - median L9
ED Personal Asst	1,350		3 mths x 450 - median L10
Office Asst	930		3mths x 310 median L9
Driver	930		3mths x 310 median L9
Maintenance	1,326		2 staff @ \$221 /month x 3 months upper L8
Total Locally Recruited Staff Salaries	8,316		
Overtime Locally Recruited Staff@ 10%	832		
Benefits @ 30%	2,495		
TOTAL Locally Recruited Staff	11,642		
TOTAL STAFF	203,586		
RECRUITMENT COSTS			
Recruitment Costs Locally Recruited Staff	5,000		estimated

Recruitment of EX Pat/National Recruited Professional Staff	5,000	2,500	includes advertising, interviews for Finance & Operations Mgrs
TOTAL Recruitment Costs	10,000	2,500	
TOTAL Staff and Recruitment	213,586		
TRAVEL AND MEETINGS			
Staff Duty Travel and Per Diems	15,000		6 mths for Exec Dir.and Professional staff
SOM /MM Travel Grants	30,000		Possible SOM MM meeting Nov. 2014 and other meetings
Hosted meeting costs	10,000		Additional Meeting costs for Secretariat Events
Total Travel and Meetings	55,000	-	
TOTAL TRANSITIONAL SECRETARIAT Budget 2014	548,296	158,850	
Early Set Up (30 May - 30 June)	158,850		
Transitional Budget less Early set up costs	389,446		

APPENDIX 2 RESOURCING STRATEGY FOR 2014 INITIAL ESTABLISHMENT BUDGET

CTI -CFF Regional Secretariat - Resourcing Strategy for Initial Establishment Budget and (May - Dec 2014)

BUDGET CATEGORY	Total for Initial Establishment Period (May - Dec)	Essential Pre 1 July Expenses	Resourcing Options			NOTES
			CT6 Contribution	Indonesian Host Contribution	Partner/Donor Contribution	
OPERATING EXPENSES						
Insurances	10,000	10,000	10,000			Building & Equipment, Liability, Staff Travel and Insurance (est.)
Electricity & Water	12,000	2,000	12,000			2000/mth for 6 mths
Communications/Telephone and Internet connections and costs	4,500	1,000	4,500			/mobile/land line/internet
Office Supplies	1,000	-	1,000			basic supplies only
Publications and Printing	2,500	-	2,500			L/H /forms/business cards/Secretariat flyer
Audit	5,000	-	5,000			Required under Financial Regs
Bank Charges (International transactions /account operating fees)	2,000	-	2,000			Setting up account/transfers etc (reduced assessmentfor 6 mths)
Postage/Courier	500	-	500			
Vehicle Rental	2,250	-	2,250			25/day x 90 days
Vehicle Fuel and Maintenance	2,400	-	2,400			4 months running x 300/month x 2
Hospitality	2,000	-	2,000			6 months

Misc.	8,000	4,000	8,000			Contingency
Total Operating Expenses	52,150	17,000	52,150	-	-	
CAPITAL EXPENDITURE	-	-				
Vehicle Purchase (Toyota Avanza or similar)X2	42,000	-	42,000			Secretariat vehicle (provision for second vehicle for ED)
Furniture and Office Equipment	12,000	-	12,000			Indonesia Govt to provide furniture and fit out.
IT System server, software,cabling	11,500	-	11,500			Indonesian Govt. to provide Server/UPS/ cables installation/software
Computers	12,250	5,000	12,250			Laptops @1.5k x4; Desktops@1.25K x5;
Software and licenses	29,810	22,350	29,810			Sage ACCpac FMS 20k ACCpac Norming Payroll 2,350; MSOffice Std.Open License 373@X20 7,460
Mobiles and Telephone system	10,000	2,000	10,000			Mobile Phones for Exec Dir and Finance, Operations Mgrs. PBX+ Tel system still required unless provided by Indo. Govt.
Total Capital Expenditure	117,560	29,350	117,560	-	-	
Total Operating and Capital	169,710	46,350	169,710	-	-	Strategy continued on next page
CONTRACTS		-				
Consultancies FMS+Payroll installation and training	70,000	70,000	70,000			Finance / HR- Payroll system installation +training
Consultancy - Extn of IRS Coordinator	20,000	20,000			20,000	Possible payment by USAID (to be confirmed)
Consultancy - Temporary Finance support	20,000	20,000	20,000			Need depends on FM recruitmentto be confirmed
Consultancy - local IT services						

	-	-	-			
Total Contracts	110,000	110,000	90,000	-	20,000	
TOTAL OPERATING, CAPITAL AND CONTRACTS	279,710	156,350	259,710	-	20,000	
	-	-				
STAFFING	-	-				
Internationally Recruited Staff	-	-				
<i>Executive Director</i>	75,600	-				ED 12,600x 6 mths median rL23
Relocation	10,000	-				estimated
Benefits @ 30%	22,680	-				estimated
TOTAL Executive Director costs	108,280	-	108,280			
Expat /Nationally / Locally Recruited Professional Staff	-	-				
<i>Finance Manager</i>	15,840	-				6 mths @2,640 median L17
Relocation	10,000	-	-			estimated
Benefits @ 30%	4,752	-				estimated
TOTAL Finance Manager	30,592	-	30,592			
<i>Office/Operations Manager</i>	15,840	-				6 mths @2,640 median L17
Relocation	10,000	-				estimated

Benefits @ 30%	4,752	-				estimate
TOTAL Office/Operations Manager	30,592	-	30,592			
<i>Communications/Information Coordinator</i>	9,600	-				3 mths @3,200 median L18
Relocation	10,000	-				estimated
Benefits @ 30%	2,880	-				estimated
Total Communications and Information Coordinator	22,480	-			22,480	Cost may be fully or partially supported by a Partner(WWF)
Expat /Nationally / Recruited Professional Staff	83,664	-				
TOTAL Executive & Expat,National ProfessionalStaff	191,944	-	169,464	-	22,480	Strategy continued on next page
Locally Recruited Support Staff	-	-				
Admin /Travel officer	1,350	-			-	3 mths X450 - median L10
Accounts Asst.	1,500	-			-	3 mths x500 - median L11
Receptionist	930	-				3 mths x310 - median L9
ED Personal Assistant	1,350					3 mths x 450 - median L10
Office Asst.	930					3mths x 310 median L9
Driver	930					3mths x 310 median L9
Maintenance	1,326	-				2 staff @ \$221 /month x 3 months upper L8
Total Locally Recruited Staff Salaries	8,316	-	8,316			

Overtime Locally Recruited Staff@ 10%	832	-				
Benefits @ 30%	2,495	-				
TOTAL Locally Recruited Staff	11,642	-	11,642			
TOTAL STAFF	203,586	-				
RECRUITMENT COSTS	-	-				
Recruitment Costs Locally Recruited Staff	5,000	-	5,000			estimated
Recruitment of EX Pat/National Recruited Professional Staff	5,000	2,500	5,000		-	includes advertising, interviews for Finance & Operations Mgrs
TOTAL Recruitment Costs	10,000	2,500	10,000	-	-	
TOTAL Staff and Recruitment	213,586	-	191,106	-	22,480	
TRAVEL AND MEETINGS	-	-				
Staff Duty Travel and Per Diems	15,000	-	15,000			6 mths for Exec Dir.
SOM /MM Travel Grants	30,000	-	30,000		-	Possible SOM MM meeting Nov. 2014 and other meetings
Hosted meeting costs	10,000	-	10,000			Additional Meeting costs for Secretariat Events
Total Travel and Meetings	55,000	-	55,000	-	-	
	-	-				
TOTAL TRANSITIONAL SECRETARIAT Budget 2014	548,296	158,850	505,816	-	42,480	

APPENDIX 3 CHECKLIST OF ACTION ITEMS FOR ESTABLISHMENT OF PERMANENT REGIONAL SECRETARIAT 2014

Key Actions for 2014	Responsible	To be completed
1. Completing the Institutional Foundation		
<ul style="list-style-type: none"> • Finalisation of draft of the Host Country (HC) Agreement <ul style="list-style-type: none"> • CMWG provides input into the development of a draft Host Country Agreement giving particular attention to issues which impact on the implementation of this Operational Plan and Budget including: <ul style="list-style-type: none"> ○ building, fire and risk insurance; ○ responsibility for provision of utilities and building and grounds maintenance; ○ clarification of terms of ownership and occupancy; ○ fit out of the Manado office; ○ provision of office furniture and equipment; ○ installation of IT services. 	CMWG /Indonesian Govt	Special SOM –CSO 10 May 2014
<ul style="list-style-type: none"> • Executive Director to negotiate HC Agreement (or sign) as soon as practicable following his/her appointment or on eventual completion of the Agreement 	CMWG/Executive Director	To be advised
<ul style="list-style-type: none"> • Facilitating completion of the Establishment Agreement ratifications, if required 	CT6 with support of IRS and CMWG Executive Director on appointment	CSO – Special SOM COM –MM 5
2. Funding the Regional Secretariat		
<ul style="list-style-type: none"> • Initial 2014 Operational Plan and Budget agreed and approved 	CSO on CMWG recommendation	CSO -Special SOM
<ul style="list-style-type: none"> • Secure financial contributions for essential Secretariat purchases pre 1 July and ED appointment based on 2014 Operations Plan and Resourcing Strategy. 	Special SOM 10 with CT6 and CT Partners	CSO Special SOM

Key Actions for 2014	Responsible	To be completed
<ul style="list-style-type: none"> Review 2015 – 2017 Indicative Strategic Plan and develop draft SPECIAL SOM/MM resolution to agree annual contribution levels for 2015-2017. 	Special SOM 10 and MM5	CSO -Special SOM
<ul style="list-style-type: none"> Development and approval of a final 2015 Budget 	Executive Director and staff	CSO – Special SOM /MM 5
<ul style="list-style-type: none"> Secure assessed contributions for the 2015 Budget. 	CT6 with Executive Director and staff	CSO - Special SOM / MM 5
3. Recruitment of initial Regional Secretariat staff		
<ul style="list-style-type: none"> Special SOM/CSO to approve draft Resolution to provide for interim staff appointment to support pre 1 July and ED appointment essential Secretariat set up purchases. 	CMWG / CSO -Special SOM	CSO -Special SOM
<ul style="list-style-type: none"> Identify and contract appropriate individual and funding to manage essential set up purchases service requirements (Interim RS Coordinator – the Coordinator ?) 	CMWG/Special SOM/CTI Partners	CSO -Special SOM - May
<ul style="list-style-type: none"> Recruitment of the Executive Director finalised by Appointments Committee and approved by Special SOM / MM5 	Appointments Committee /Special SOM with delegated authority of COM	CSO -Special SOM - 1 July
<ul style="list-style-type: none"> Executive Director and Coordinator to work on details of ED relocation to Manado including de-brief with Interim Regional Secretariat in Jakarta 	Coordinator	Early July
<ul style="list-style-type: none"> Recruitment of key Secretariat staff to be initiated by Coordinator. Develop Job Descriptions and identify recruiting agency to assist with advertising positions for: <ul style="list-style-type: none"> Finance manager Operations/Office Manager 	Coordinator to identify recruiting agency and organise advertising of positions in preparation of Executive Director appointment 1 July	May - July
<ul style="list-style-type: none"> Finalisation of Finance Manager and Operations/Office Manager positions 	On appointment Executive Director to review applicants and undertake interviews – finalise appointments in July.	Executive Director and Coordinator – July

Key Actions for 2014	Responsible	To be completed
<ul style="list-style-type: none"> Arrange timing and re- location to Manado if not locally recruited. 		Executive Director and Coordinator – July
4. Establishing Key Management Systems and Regional Secretariat Office – Manado.		
4.1 Finance and Payroll/HR System		May- June
<ul style="list-style-type: none"> Coordinator to identify temporary Finance Systems adviser to assist with initial FMS (consult with PwC) 	Coordinator under resolution approved by CSO at Special SOM	
<ul style="list-style-type: none"> Establish the Regional Secretariat Bank Account in Manado- selection to be undertaken in consultation with FMS designers at PwC and based on electronic banking and international transaction services requirements. 		
<ul style="list-style-type: none"> Possibly establish temporary accounts management contract with local service provider in Manado accounting (possibly PwC to recommend) to assist with initial accounts. 	Coordinator under resolution approved by CSO at Special SOM	June
<ul style="list-style-type: none"> Undertake initial purchase of the FMS and payroll system software, on advice from PwC (see Capital Equipment Procurement Plan) 	Coordinator under resolution approved by CSO at Special SOM	June
<ul style="list-style-type: none"> Temporary Finance Advisor to work with PwC and software provider to install and configure FMS and HR/Payroll on Secretariat desktop computer to be operated by Temp Finance Advisor 	Coordinator working with Temp. Finance Advisor and PwC	June
<ul style="list-style-type: none"> On appointment of Finance Manager the computer and FMS system and accounts management responsibility handed over. 	Coordinator working with Temp. Finance Advisor	July
<ul style="list-style-type: none"> Obtain financial records of Interim Regional Secretariat to assist with future reporting and budgeting 	Finance Manager	July – Aug.
<ul style="list-style-type: none"> Training in use of FMS and payroll system together with standard operating procedures provided to Finance Manager and appropriate 	Coordinator Finance Manager and	July

Key Actions for 2014	Responsible	To be completed
staff by PwC and software providers	PwC	
<ul style="list-style-type: none"> • Protocols for financial delegations and authorisations (developed by PwC) reviewed Executive Director/Finance Manager and established by Finance Manager 	Finance Manager	July-August
4.2 Office Fit Out and Equipment		
<ul style="list-style-type: none"> • Confirm and clarify Indonesian Government assistance with fit out and IT installation costs for Manado Building. 	CMWG – CSO Special SOM	Special SOM 10
<ul style="list-style-type: none"> • Coordinator identifies local providers (Manado) for initial Secretariat office space partitioning, furniture and equipment requirements, seeks quotes for supply and installation (See Procurement Plan) 	Coordinator with Indonesian Government	June
<ul style="list-style-type: none"> • Develop initial fit our plan for at least one floor including at least 3 offices plus 10 partitioned spaces plus reception area with local office fit out service providers 	Coordinator with Operations/Office Manager if process is delayed.	June - July
<ul style="list-style-type: none"> • Coordinator to purchase basic office furniture and equipment for initial staff (Executive Director-Finance Manager-Operations/Office manager and support staff (see Procurement Plan) 	CMWG and Coordinator working with Indonesian Govt and local supplier	June /July
4.3 Installation of IT and Telecom System		
<ul style="list-style-type: none"> • Clarify and confirm Indonesian Govt. Commitment to provide and install IT system 	CMWG and Coordinator	June
<ul style="list-style-type: none"> • Work with Indonesian Govt IT specialist on IT system design. 	Coordinator with Indonesia Govt IT specialist	June
<ul style="list-style-type: none"> • Identify telephone and internet system providers based on comparative service plans and costs and organise connections when appropriate 	Coordinator with Indonesia Govt IT specialist	June

Key Actions for 2014	Responsible	To be completed
<ul style="list-style-type: none"> If necessary (i.e. not covered by Indonesian Govt) secure quotes and purchase IT system components identified in Procurement Plan (software, server etc) and Telephone system. 	Coordinator	June
<ul style="list-style-type: none"> Purchase IT equipment – minimum server, server software, cabling, and computers (2 desktops for FMS/ Office Administration –1 Laptop – Executive Director) and Telephone system (see Procurement Plan). 	Coordinator	June
4.4 Insurances, Maintenance and Servicing of Building		
<ul style="list-style-type: none"> Clarify and confirm with the Indonesian Government responsibility for insurance, maintenance and servicing of the Secretariat building, including possible cost sharing arrangements for building maintenance, utilities, and security given the building will only be partially occupied by the Secretariat 	CMWG and Coordinator /Executive Director	June - July
<ul style="list-style-type: none"> Coordinator to investigate and purchase insurance for all Secretariat furniture and equipment including computers and depending on discussions with Indonesian Government, fire and natural disaster damage and loss to the Manado Building (unless Indonesian Govt. self insures), and purchase of equipment. 	Coordinator	June
<ul style="list-style-type: none"> Clarify responsibility for provision of utilities (water and electricity) to the Manado Office with the with Indonesian Govt. 	CMWG / Coordinator	June
<ul style="list-style-type: none"> If necessary negotiate contracts and appropriate connections with Manado Electricity, Water, Garbage utilities or contract with City Administration if not already organised by Indonesian Government 	Coordinator	June - July
<ul style="list-style-type: none"> If Secretariat is responsible for the costs of maintaining and servicing the Manado Building identify potential tenants for sub letting office space, preferably with direct CTI-CFF connections such as CTI Partners or donors with CTI-CFF grant programmes requiring office space, space for training and educational requirements or potentially 	Executive Director /Operations Office Manager	July – December

Key Actions for 2014	Responsible	To be completed
Indonesian National and/or Provincial Government		
5. Transitional Logistics		
5.1 Accommodation		
<ul style="list-style-type: none"> Coordinator to assess Real Estate and or Relocation agencies to in Manado and identify suitable agency to assist with relocation of Executive Director and Professional Staff. 	Coordinator	May – June
5.2 Transport		
<ul style="list-style-type: none"> Coordinator to negotiate a favourable rate for temporary rental vehicles for set up period with rental company. 	Coordinator	May – June
<ul style="list-style-type: none"> Purchase of Secretariat Vehicle (s) to be undertaken by Operations/Office manager (duty free conditions may apply under HCA) (See Procurement Plan) 	Operations/Office manager	July- Aug
5.3 Relocation and Travel		
<ul style="list-style-type: none"> Coordinator/Operations/Office Manger to assist Executive Director and other non local staff with relocation including shipping and travel. 	Coordinator/	July – Aug
<ul style="list-style-type: none"> Operations/office Manager to assess and identify suitable Manado based travel agency to support Secretariat travel and negotiate favourable terms and service contract. 	Operations/Office Manager	Aug
<ul style="list-style-type: none"> Effecting a smooth transition of responsibilities from the IRS to the permanent Secretariat 	Coordinator/ Executive Director	July – Aug
<ul style="list-style-type: none"> Facilitation of CTI-CFF Governance through planning and organising future CTI-CFF governance meetings (Special SOM, MM), most likely in November. 	Executive Director	As required

Key Actions for 2014	Responsible	To be completed
<ul style="list-style-type: none"> Maintaining and strengthening the relationship between the permanent Regional Secretariat and the CT6 through proactive liaison with CT6 and NCC focal points, CTI Partners and TWG's; 	Executive Director	As required
<ul style="list-style-type: none"> Liaising with current and potential Partners and other supporters to mobilise donor resources for CTI-CFF implementation 	Executive Director	Jul – Aug and ongoing
<ul style="list-style-type: none"> Establishing the Communication and Information programme and assessing options and priorities for the future development of the Secretariat including secondments and possible extra budgetary funding for programmes 	Executive Director	Jul - Aug
<ul style="list-style-type: none"> Strengthening the regional/ global profile of the CTI-CFF through engagement in international forums 	Executive Director	As required

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APPENDIX 4. PROCUREMENT PLAN FOR CAPITAL EQUIPMENT

Procurement Plan for Capital Items for Establishing the Permanent Regional Secretariat						
Establishing Key Management Systems and Regional Secretariat Office	Action	Procurement notes* All equipment may be able to be purchased duty free under HCA	Supplier(s)	Estimated Cost USD	May/July	July /Dec
Financial Management System	Source and procure FMS software - SAGE Accpac Financial Management software	PWC FMS design evaluates 3 options with SAGE Accpac preferred	Sage Accpac Indonesia	20,000	20,000	0
HR / Payroll System	Source and procure recommended Payroll software Sage Accpac Norming Payroll Manager	PWC FMS design evaluates 3 options for HR/Payroll software linked to FMS with SAGE Accpac Norming - preferred option	SAGE Accpac Indonesia	2,350	2,350	0
Communication System**	Purchase PBX telephone exchange for fixed line communications or VoIP PBX hosted option - handsets	Need to evaluate options suitable for Indonesia telecom - including purchase, rental from Telecommunications provider or hire of VOIP solutions	PT Telekom Indonesia	6,000		6,000
Telephones/ Mobiles**	Purchase of mobiles for ED and key staff	Purchase Mobiles and plan for ED and 2 key staff - link to negotiations with PBX provider	Indosat or Telekomsel	4,000	2,000	2,000
Internet Service Provider ** Note these 3 items could be negotiated as a package.	Identify ISP and contract	Evaluate local Internet Service Providers and Options based on band width, cost, customer service,connection type etc.	Indosat , TelconSel	4,500	1,000	3,500
IT System server, software,cabling	Purchase a server,operating software and cabling	IT specialist will need to evaluate options e.g.. Dell Poweredge VRTX etc	Dell, Lenovo, Samsung	11,500		11,500
Office software licences	Purchase of initial Mssoftware Office Standard Open Licence for Secretariat staff and computers	Available from Microsoft suppliers throughout Indonesia but costed based on Singapore prices (USD 373 per licence X20). Could also evaluate against cost of integrated Office 365 Platform.	Micorsoft	7,460		7,460
Computers	Purchase of both laptops and desktops for Secretariat	Good quality laptops (4x 1500) and desktops (5x1250) Dell, Samsung, Lenovo, Toshiba) could be available duty free under HCA	To be negotiated	12,250	2,750	9,500
Continued on next page						

Office Furniture	Purchase office furniture Note may be covered by Indonesian Government	Desks, chairs, filing, cabinets and Meeting room equipment to be purchased from local supplier	Local supplier e.g. Indo Meubel Manado -terms of supply to be Nnegotiated	6,000	2,000	4,000
Office Fit Out	Partions, carpets/tiling,window covers,wiring,lighting etc.	Should be covered by Indonesia Government under HCA	Local Contractor if needed	6,000		6,000
Vehicle (s)	Basic Vehicle (Toyota Avanza)to service Secretariat everyday needs.	Should be purchased from local dealer but duty free under HCA. Explore option for purchase or supply under Indonesian Government purchasing Program	Toyota Manado or Toyota Harga dealership to be approached regarding supply of duty free vehicles	42,000		42,000
				122,060	30,100	91,960

APPENDIX 5. RECOMMENDED SALARY SCALE (PROPOSED SCHEDULE TO THE STAFF REGULATIONS) FOR PERMANENT REGIONAL SECRETARIAT

Hay Reference Level	Min	Med	High
24	11,200	16,000	20,800
23	8,820	12,600	16,380
20	3,010	4,300	5,590
19	2,625	3,750	4,875
18	2,240	3,200	4,160
17	1,848	2,640	3,432
15	819	1,170	1,521
14	700	1,000	1,300
11	350	500	650
10	315	450	585
9	217	310	403
8	119	170	221

APPENDIX 6 APPLICATION OF THE SALARY SCALE TO THE PERMANENT REGIONAL SECRETARIAT OF THE CTI-CFF

Grade	Band
24	Executive Director
23	
20	Deputy Director
19	
18	Specialist / Coordinator
17	
15	Manager (HR/ Database, etc)
14	
11	Assistant / Officer
10	
9	Office Assistant / Receptionist / Driver
8	

ATTACHMENT 1 - 2014 REGIONAL SECRETARIAT ESTABLISHMENT SCENARIO AND PRIORITIES

Completing the Institutional Framework

Finalisation of a draft Host Country Agreement

This Agreement provides the detail of the relationship between the Regional Secretariat and the host government of Indonesia. It is fundamental to the establishment of the permanent Regional Secretariat as it identifies and establishes key organisational and operational conditions, including:

- privileges and immunities;
- employment conditions of staff;
- taxation and customs duties exemptions; and
- other contributions by the Host Government, particularly those relating to the provision of accommodation and public services.

The Host Country Agreement drafting process is underway within the Indonesian Government, with the CMWG providing input on an initial draft in February 2014. Early finalisation and adoption of the Agreement, to be signed by the Executive Director as one of his duties during 2014 would be ideal as the HCA will materially affect budgeting, recruitment and operations of the Regional Secretariat.

Action

- *CMWG provides input to Indonesia Government process for the drafting of a Host Country Agreement giving particular attention to issues which impact on the implementation of this and subsequent Regional Secretariat Operational Plans and Budgets including:*
 - *clarification of terms of ownership and occupancy;*
 - *building, fire and risk insurance;*
 - *responsibility for provision of utilities and building and grounds maintenance;*
 - *fit out of the Manado office;*
 - *provision of office furniture and equipment;*
 - *installation of IT services.*
- *Executive Director to negotiate Agreement and sign as soon as practicable following Operations/Office Manager to analyse and ensure protocols and reporting requirements under the Host Country Agreement are met.*

Facilitating completion of the Establishment Agreement ratifications

Securing the entry into force of the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF remains fundamental to its formal establishment as a permanent regional entity. The finalisation of the approval processes is now in the hands of each of the member countries, with the expectation that the goal of at least four ratifications will be achieved by May 2014. However, there may remain a need to provide further support and follow up with those CT6 member countries still to complete ratification once the permanent

Regional Secretariat is established. This will involve supportive lobbying by the Executive Director through 2014/15.

Action: *Travel and consultation by the Executive Director as required through 2014/2015*

Establishing the Regional Secretariat Office and Systems on location in Manado

Establishing Financial Management, Payroll /HR and IT Systems for the Regional Secretariat

A major issue to be addressed is the need for the Regional Secretariat's finance system and the associated HR/payroll systems to be in place to account for banking transactions, expenditures and provide access to funds, prior to the expenditure of any CT6 funds. Good accountability and transparency requires that there must be segregation of approval responsibilities relating to banking and financial expenditures from day one. Accordingly, the finance system (or temporary alternative) must be in place and at least two Regional Secretariat staff employed to ensure proper accountability and segregation of duties relating to CT6 funds. Similarly, the payroll/HR system needs to be established to enable salary payments for the Executive Director and any newly appointed staff from the outset of their appointment.

Investigation has indicated this timing issue can be resolved by a resolution by the CSO on delegation from the COM that provides of the special appointment of a individual to act in a extraordinary capacity with authority to expend funds and secure services necessary to put the basic Secretariat systems and infrastructure in place prior to the appointment of the Executive Director. Accountability and transparency will be achieved by ensuring the Chairman of the CSO approves all expenditures and receives regular reports on establishment activities. This individual is identified in the Scenario as the "Coordinator".

Linked to this is the need for the Information and Technology system to be in place to support the FMS and HR Payroll system, and indeed the Secretariat's communications and management functions. Ideally all three will be synchronised with the IT system being installed in the Manado Office very early in the establishment process to provide the operating platform for the Secretariat. The Indonesian representative at the February CMWG indicated that the IT system design and installation would be supported by Indonesia as a Host Country contribution. This pledge is reflected in the 2014 Operating Budget and Resourcing Strategy.

Until such time as a permanent Finance Manager is recruited there is a need for a initial financial management capacity to install and manage the FMS and undertake accounting duties. To overcome this issue it is proposed that a temporary Finance Advisor or consultant be contracted in to meet this requirement. Under this scenario, the temporary Finance Advisor would work with PwC and the software provider to install and configure the FMS and Payroll system and would be available to effect the transfer of the system to the Manado Office once the IT system is in place and to train the permanent Finance Manager on his/her

appointment. An alternative might be to contract a local accounting firm to help with the initial financial management until such time as the permanent Finance Manager is recruited.

The establishment of the FMS/Payroll HR system should also be done in collaboration with consultant staff (for example, from PwC) and the recommended software provider, AccPac¹. As already mentioned, ideally this would require the IT system to be in place so the preferred software can be loaded and readied with the Finance Manager (and Accounts Assistant) on location for any additional training in the operation of both systems. However, if this is not possible, as a stop gap measure the FMS and HR/Payroll could be loaded on a single computer (with appropriate back up) until the IT system is in place. Provision the cost of the temporary contractor, the purchase of the computers and software including PwC consultant and software provider costs has been included in the Budget..

Actions

Finance and Payroll/HR System

- *Allocate or identify funding to support a temporary Finance Advisor and the initial purchase of the FMS and payroll system software, and installation support, computer(s), basic office equipment.*
- *Temporary Finance Advisor to work with consultant (e.g. PwC) and software provider to install and configure FMS and HR/Payroll linked with the Salary and Benefits structure.*
- *Systems are transferred to Manado office once IT system is in place.*
- *Training in use of FMS and payroll system together with standard operating procedures provided to permanent Finance Manager and appropriate staff by PwC and software providers.*
- *Protocols for financial delegations and authorisations developed by Executive Director/Finance. Manager and consultant and maintained by Finance Manager.*

IT System

- *Secure initial IT specialist support from Indonesian Government to establish a core IT system in Manado Office.*
- *IT specialist/provider works with Coordinator to purchase and set up of initial IT hardware and software*
- *Basic computers and software purchased to enable installation, configuration and back up of FMS and HR Payroll system by expert consultants and software provider.*
-

Administration

- *Coordinator working with Office/Operations Manger (when appointed) acquires the administrative and financial records, mailing lists and stakeholder networks developed by the interim Secretariat for communication with CT6, Technical Working Groups, COM, SCO and CTI Partners and other stakeholders and transfers these to the permanent Regional Secretariat.*
- *All records to be backed up on off site source.*

¹ The CTI-CFF Regional Secretariat Financial Management System Design report prepared by Price Waterhouse Cooper for the CTI-CFF under contract to TierraMar Consulting analyses and recommends suitable operating software.

- *Office Manager/Operations manager review options for further development of the Secretariat records system and revises system as necessary.*
- *Office/Operations manager develops inventory of core operating and staff policies (Recruitment, Housing, Travel, Education etc) based on provisions of Staff Regulations and Rules of Operations.*

Fit out of CTI-CFF Regional Secretariat and CTI Centre Building - Manado

The goal of the six month establishment phase is to rapidly establish a well functioning working environment in the CTI-CFF Regional Secretariat headquarters in Manado, including the establishment of key operating systems and office accommodation. The Operations Plan assumes the small initial Regional Secretariat staff will not use the full 6,000m² floor area of the building and only the fit out costs for the estimated area needed for the first 18 months of operation is provided for in the initial establishment budget. Provision for further fit out options should be included in subsequent plans and budgets depending on growth and need, and also any sub-tenancy arrangements which may be entered into which could require tenants to undertake the fit out of their space.

However, at the CMWG in February the Indonesian Government representative indicated Indonesia would support the fit out of the building along with the support for the IT system. It is proposed that the Coordinator work with Indonesian Government representatives and a local fit out service provider to complete this work.

Action

- *Clarify and confirm Indonesian Government assistance with fit out and IT installation costs.*
- *Coordinator liaises with Indonesian Government and identifies local providers for initial Secretariat office space partitioning, furniture and equipment requirements, seeks quotes for supply and installation.*
- *Coordinator ensures insurance is in place for all furniture and equipment purchased.*

Manado Building - Insurance, Maintenance, and Servicing

The completion of the modern, 6,000 square meter Coral Triangle Regional Secretariat and Coral Triangle Center Building in Manado, Sulawesi represents a major milestone in the development of the CTI-CFF. The building has ample space for the expansion of the Regional Secretariat and could also be utilised to host other related CTI programmes and activities such as major programmes of CTI Partners and other organisations working in support of the goals of the CTI-CFF.

In the initial establishment phase of the permanent Secretariat, it is likely the building will be under-utilised unless suitable additional tenants can be found. This could mean the full costs of the insurance, maintenance, utilities and security needed to service the building and its grounds will fall on the Regional Secretariat and will be a significant budget expense. To help defray this cost until such time as occupancy levels increase and the capacity to spread the costs is improved, the possibility of a cost sharing arrangements should be discussed with the Indonesian Government as part of the negotiations on the Host Country Agreement.

Action

- *Clarify and confirm with the Indonesian Government responsibility for insurance, maintenance and servicing of the Secretariat building including possible cost sharing arrangements for building maintenance, utilities, and security given the building will only be partially occupied by the Secretariat.;*
- *Ensure Insurance cover on building prior to occupancy by permanent Regional Secretariat if it is deemed a Secretariat responsibility*
- *Clarify whether the Secretariat is responsible for the whole building or only the part it occupies, and if the former, identify potential tenants for sharing office space, preferably with direct CTI-CFF connections such as CTI Partners or donors with CTI-CFF grant programmes requiring office space, space for training and educational requirements or potentially Indonesian National and/or Provincial government partners.*

Insurances

The insurance requirements for the Regional Secretariat will fall into four categories:

- Staff Health, & Disability and Travel insurance.
- Office Equipment and Vehicles.
- Business interruption - Fire and major disaster risk insurance for the Manado Building (responsibility to be clarified under the Host Country Agreement).
- Professional indemnity and public liability

These insurances should be in place from day one of the operations of the permanent Regional Secretariat and the Coordinator should undertake negotiations to at least secure temporary cover for all insurance categories pending further evaluation and negotiation once the Operations/Office Manager is appointed. The responsibility for fire and disaster risk insurance on the Manado Building should be clarified under the Host Country Agreement negotiations (see below).

Action

- *Clarify responsibility for the above insurances.*
- *If needed, seek quotes for insurance cover in preparation for immediate cover on occupancy of building.*
- *Identify a funding source for the insurance costs.*
- *Ensure insurance cover is in place before employees are recruited and travel, equipment including vehicles is purchased and the building hand over and occupancy occurs.*

Vehicles

The purchase of at least one vehicle will be required as soon as funds are available. This should be an all-purpose vehicle for general Regional Secretariat use (Toyota Avanza or similar). Regional Secretariat vehicles should be able to be purchased tax-free under the Host Country Agreement. Until the necessary funds and financial system prerequisites are in place to affect a vehicle purchase, it will be necessary to utilise rental vehicles possibly for up to 2 months.

Additional vehicle for purchase during this period would include one for use by the Executive Director if included under his/her employment contract.

Action

- *Coordinator to negotiate favourable rates with rental car agency secures long term vehicle rental arrangements for Regional Secretariat vehicles until such time as purchase of a permanent vehicle(s) is possible*
- *Purchase of a permanent vehicle(s) for the Secretariat I take advantage of the tax-free and duty concessions under the Host Country Agreement.*

Completing the Transfer of Responsibilities from the Interim Regional Secretariat

At some point following the appointment of the Executive Director a formal transfer of responsibilities from the Interim Regional Secretariat to the newly established permanent regional Secretariat should take place. Timing of this event is uncertain. Legally, this event will mark the formal transfer of responsibilities but it is also important to ensure the permanent Regional Secretariat has the basic finance and administration systems established in Manado. It would also be fitting to mark the establishment of the permanent Secretariat and acknowledge the work of the interim Regional Secretariat at an event such as the proposed November 2014 SOM/MM where appropriate ceremonies could be staged.

Action

- *On appointment, the Executive Director and Coordinator meets with interim Regional Secretariat in Jakarta for orientation and briefing on current activities and to agree on the arrangements for transferring records etc.*

Develop 2015 operations plan and budget, and mobilise financial and other resources for its implementation (including country contributions)

The Operations Plan and budget relate only to the period July-December 2014. During this period, it will be necessary for the Permanent Secretariat to develop the first full-year (nominally 1 January - 31 December 2015) Operations Plan and budget. Pursuant to the Secretariat Agreement and Financial Regulations this would be approved by the Special SOM/MM5 and provide the basis for CT6 countries making their financial contributions for the operations of the permanent secretariat.

Actions

- *Executive Director to develop a detailed 2015 operations plan and budget.*
- *SOM to endorse a 2015 operations plan and budget.*
- *Executive Director to obtain financial contributions from CT6 countries, in accordance with the Financial Regulations.*

Maintaining CTI-CFF Services and Functions

While the focus of July- December 2014 will be on building the permanent secretariat, there will be an ongoing need for the Secretariat to perform its core functions, particularly:

- Maintain the CTI regional roadmap
- Facilitate regional meetings
- Facilitate regional communications and representation
- Facilitate CTI strategic planning
- Liaison with CTI Partners, and potential partners/supporters to mobilise support for CTI implementation

It is reasonable to assume that the Regional Secretariat will **not** be in a position to fully and effectively meet all these responsibilities in the 6 month establishment phase covered by this Operations Plan. The priority during this period will be the establishment of the office and associated operating systems and the recruitment of core staff on which to base the development of the Secretariat to a stage where full and effective discharge of these functions is achievable. Organisation scenarios, which illustrate the level of Secretariat development required for this purpose, have been developed² but it will require time and the on-going commitment of the CT6 member countries, Partners and donors to achieve these levels of development.

In terms of maintaining the CTI-CFF services and function, the focus of the Executive Director and his small staff during the six months of this Operational Plan should be on:

- effecting a smooth transition of responsibilities from the IRS to the permanent Secretariat;
- maintaining and strengthening the relationship between the permanent Regional Secretariat and the CT6 through proactive liaison with CT6 and NCC focal points, CTI Partners and TWG's;
- planning and organising future CTI-CFF governance meetings (SOM, MM), most likely in November;
- establishing the Communication and Information programme and assessing options and priorities for the future development of the Secretariat including secondments and possible extra budgetary funding for programmes; and
- strengthening the regional/ global profile of the CTI-CFF through engagement in international forums.

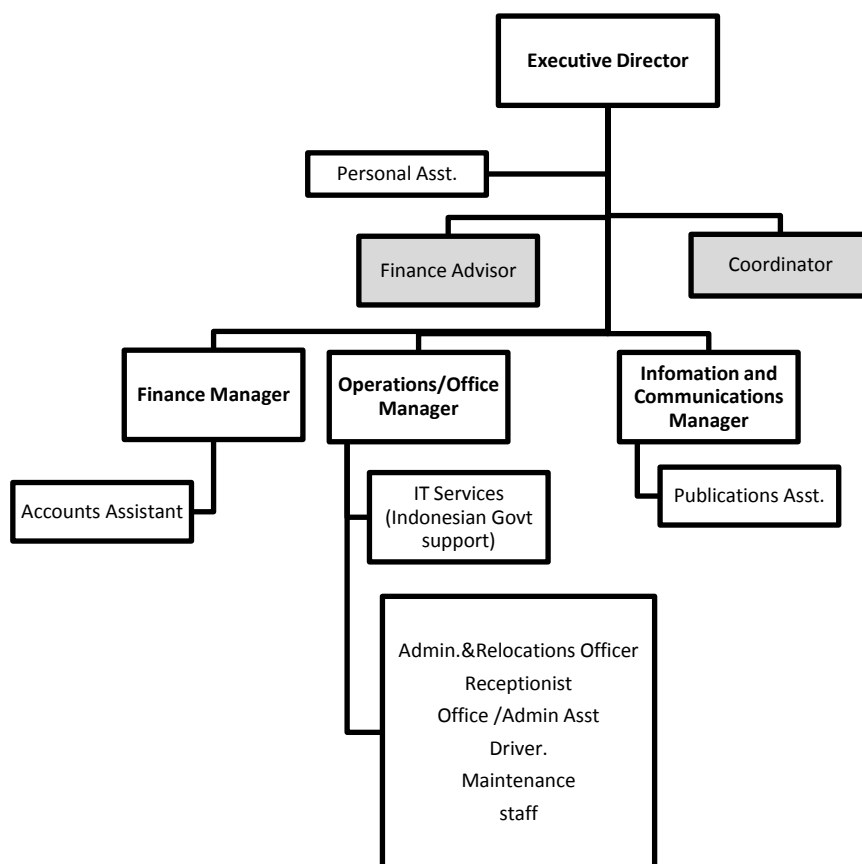
Staffing Requirements

The provisions of the Establishment Agreement and the Staff Regulations for the appointment of Executive, Professional and Support Staff, provide the basis for the development of a basic organisation structure for the initial Regional Secretariat. Several organisational scenarios have been presented to the SOM and MM over the past 3 years which have helped guide decisions on the Regional Secretariat establishment process. The scenario presented below (Figure 1) is considered the minimum required to get the permanent Regional Secretariat up and running and to build a platform on which to base the longer term incremental growth. It is realistically achievable by end of December 2014.

A further iteration of this structure which could inform the 2015 Budgeting and Planning task of the Executive Director and his initial team and which would be a realistic scenario to aim for by the end of 2105, is included in Attachment 2.

² "Organisation Scenarios and Transition Plan for a Permanent Regional Secretariat for the CTI-CFF- a report prepared for CTI-CFF Coordination Mechanisms Working Group with support from the Australian Government", TierraMar Consulting, June 2011

Figure 1. Initial permanent Regional Secretariat Structure for 2014. NB: Shaded positions are temporary



Initial Staff positions

Executive Team - Executive Director

Headed by the Executive Director, an eventual Executive Management Team will consist of the Executive Director and Deputy Executive Directors for Corporate Services and Program Services³. The Executive Director is the chief administrative officer of the Regional Secretariat and as such the appointment of a suitably qualified, highly competent and experienced individual to this position is critical to the establishment of the permanent Regional Secretariat.

Crucial to this initial Operations Plan, the Executive Director is responsible for virtually all decisions relating to the establishment of the Secretariat, including such actions as signing

³ These two positions are mandated in the Establishment Agreement and Staff Regulations. The timing of the recruitment of the two Deputy Executive Directors for Corporate Services and Programs is uncertain and will depend on availability of funding and SOM approval to proceed with recruitment. It is not anticipated recruitment will proceed in the brief 2014 establishment period, but the matter must be addressed in the 2015 planning and budget process

the Host Country Agreement, authorising bank accounts and all financial transactions, financial delegations, recruitment of professional and support staff and approving operating policies. Although many of these functions can eventually be delegated to Regional Secretariat staff in this initial establishment period the Executive Director is the only individual who can legally make these decisions.

The recruitment of an Executive Officer will be undertaken by the Appointments Committee and should be completed by Special SOM in May 2014. It is assumed the Executive Director will be able to take up his/her duties by 1 July 2014.

Action

1. *CTI-CFF Appointments Committee to complete the Executive Director recruitment process with candidate appointed at May Special SOM and take up appointment by 1 July 2014.*
2. *On appointment Executive Director to undertake 2-3 week (or longer if need be) orientation visit to Jakarta. This would address:*
 - *Meetings with Indonesian Government (MMAF and Foreign Affairs) to resolve matters relating to the occupancy of the Manado Building*
 - *Finalisation of Host Country Agreement and possible signing;*
 - *Update on Interim Regional Secretariat (IRS) activities and ongoing IRS Coordinator support (if agreed);*
 - *Updates with PwC and software supplier on installation of Financial Management System and HR/Payroll System and with Hay Group on Salary and Benefits structure;*
3. *Identification and negotiations with Insurance and other suppliers (Telecom, IT etc.).*
4. *Depart to Manado to oversee occupancy of the Regional Secretariat premises and recruitment of local support staff.*

Critical Professional Staff

In the initial operating scenario outlined in Figure 1, two support positions stand out as being critical priorities for early recruitment to help oversee the establishment of vital operating systems and set up the office in Manado. These are the Finance Manager or Officer and the Office/Operations Manager.

Finance Manager

The Finance Manager is particularly crucial and high priority should be given to the advance recruitment of this position. Having an operable Financial Management System in place to ensure accountability and transparency for all Regional Secretariat financial transactions involving Secretariat funds is essential from the outset. It will not be functional without dual approval of all transactions by two Regional Secretariat staff, preferably the Executive Director and Finance Manager (or Finance Officer). This scenario dictates that the recruitment of the Finance Manager is a high priority.

Ideally the Finance Manager would be available to work with a expert consultant (e.g. PwC) and the software providers during the establishment of the FMS so it is well understood. Under this scenario it may be feasible to instead recruit a Finance Officer provided high level professional support such as a consultant financial expert advisor is available to guide the FMS establishment process.

The timing of the recruitment of the Finance Manager or Officer is an issue. This is unlikely to occur before the Executive Director takes up appointment but conversely, the FMS and HR/Payroll must be in place to support the Executive Director on appointment. To overcome this difficulty and ensure the systems are ready for commissioning prior to or immediately following the Executive Director is appointed, consideration could be given to filling this position temporarily in the period April - July through:

- a seconded person from the Indonesian Government;
- a secondment from a CTI Partner or other CT6 member country; or
- a short term contracted individual.

An alternative is to recruit a finance officer, and have that person supported by a

Action

- *Develop the TOR and recruitment package for this Finance Manager position.*
- *Investigate options for the early recruitment of a Finance Manager including temporary secondment or a contracted person, prior to the appointment of the Executive Director.*
- *Ensure priority is given to the early recruitment of a permanent Finance Manager to be located in Manado.*

Office/Operations Manager

As with the Finance Manager, this position is crucial for helping set up the Secretariat's management and administration systems, office fit out, contracting of local services and assisting with local recruitment of financial, administrative, and maintenance support staff.

Ideally this person will be recruited early in the establishment period but inevitably there will be a delay before a permanent appointment is made. As with the Finance Manager, consideration could be given to addressing this issue with the temporary appointment of an individual until a permanent appointment is possible.

Action

- *Develop the TOR and recruitment package for this Office/ Operations Manager position (under Development Partner assistance or IRS Coordinator).*
- *Investigate possible options for the temporary secondment of a suitable person from Indonesian Government, CTI Partner or a contracted individual to fill this position until permanent Office/Operations Manager is recruited.*
- *Ensure early recruitment of a permanent Office/Operations manager.*

Local support staff

The local recruitment (Manado based) of support staff will be undertaken by the Office/Operations Manager in consultation with the Executive Director when that person is on board and is functioning in the role. Recruitment can be handled through a local Manado recruitment company (or directly by the Office/Operations Manager).

The following list of locally recruited support staff is suggested to address basic management requirements. Not all these staff would be recruited initially and priorities and timing would be determined by the Operations/Office Manager and available funding.

- IT support (if not initially outsourced);

- Administration and Travel Officer;
- Receptionist;
- Accounts Assistant;
- Personal Assistant for Executive Director;
- Office Assistant;
- Building and grounds maintenance staff; and
- Driver.

Action

- *Office/Operations (O/OM) Manager to determine what support positions are the highest priority and are affordable, and develop TOR and recruitment packages for all support positions*
- *O/OM to undertake recruitment/selection processes to fill positions.*
- *Review options for establishing IT services including recruitment of permanent IT specialist, temporary pro bono support from Indonesian Government or CT Partner or hiring of local (Manado) service provider.*

Professional/Programme Staff

Three Professional staff recruitments are proposed for this initial 6 month phase, a Information Management and Communications Manager, a Secretariat Coordinator, and a Secretariat Deputy Coordinator.

The Secretariat Coordinator and a Secretariat Deputy Coordinator will enable the Permanent Secretariat to continue to perform its core functions whilst the permanent secretariat is built. Preferably, these positions would be filled by the individuals presently in those roles in the IRS. This would support a strong handover from the interim to the permanent secretariat.

The Information Management and Communications Manager position is considered a priority to ensure the Regional Secretariat can manage its important information dissemination function and maintain the current communications platform, including the CTI-CFF website which has been developed and supported by the CTSP. The Manager should also be supported by a locally recruited Publications Assistant. The Communications and Information Officer will ensure strong networking between the CT6 and CTI Partners and provide basic capacity to help raise the profile of the CTI and maintain the current networks.

Other professional positions such as a Monitoring and Evaluation Specialist⁴ which has also been mooted as a priority will be unlikely to be recruited during this initial establishment period unless extra budgetary resources to support a position already identified in the Organisational Structure are committed.

Action

⁴ See Annex 1. An M&E specialist has been mooted as a priority in order to ensure the M&E Framework and the Coral Triangle Atlas, both vital components for the effective measurement of the impact and outcomes of the CTI-CFF, are developed and maintained as a core Secretariat function from the outset. Establishing this position early on would be beneficial in demonstrating the commitment of the CTI-CFF to this important regional function and in strengthening the confidence of the CT6, donors and other stakeholder in the work of the CTI-CFF as a regional mechanism for guiding the effective and sustainable management of the Coral Triangle and its marine and coastal resources. The Monitoring and Evaluation Specialist would eventually be supported by a locally recruited Data Base/ GIS Manager.

- *Develop ToR and recruit a communications and Information Manager (and possibly Monitoring and Evaluation Specialist).*
- *Continue the present IRS positions of Coordinator and Deputy Coordinator, preferably involving the same individuals in order to facilitate a smooth transition from the interim to the permanent secretariat.*
-

2014 Indicative Budget and Funding

Budget and Explanation

Table 2 below summarises the indicative budget for the initial establishment for the Secretariat for the six month period 1 July - 31 December 2014. The full Budget is appended in **Appendix 1**. In summary, the total of **USD 548,296** comprises the following core expenditure areas:

Table 2. 2014 Estimated 2014 Operating Budget

BUDGET CATEGORY	Total for Initial Establishment Period (May - Dec 2014)	Essential Pre 1 July Expenses
OPERATING EXPENSES	52,150	17,000
CAPITAL EXPENDITURE	117,560	29,350
CONTRACTS	110,000	110,000
STAFFING		
Exec/Expat /Nationally Recruited Professional Staff	191,944	
Locally Recruited SupportStaff	11,642	
RECRUITMENT COSTS	10,000	2,500
TRAVEL AND MEETINGS	55,000	
	548,296	158,850

Operating Expenses

These include the cost of utilities such as energy, services (bank and communications) consumables (printing, office supplies) and the hire and running costs both for rentals and newly purchased vehicles. Also included in this category is a budget item for hospitality to provide a modest allowance to Executive Director for this purpose.

Capital Expenditure

This category includes the purchase of two vehicles, one for the general use of the Secretariat and the other for the use of the Executive Director and VIP transport. Policy on vehicles and vehicle allowance is still to be developed and may eventually have a bearing on this category should it be deemed that senior staff are entitled to allowances for purchase of personal vehicles. At this stage two vehicles for the Secretariat is considered reasonable. Note that hire of rental vehicles have been provided for to address the delay likely to occur before purchase.

Provision has also been made for the purchase of an IT system, computers, software and mobile telephones and a telephone system for the Manado office.

Contracts

This category includes estimated costs for contracting expertise to assist with critical activities needed to help prepare the ground for the employment of Regional Secretariat acting and permanent staff and advance commissioning of the Manado office. It provides for the costs of engaging Price Waterhouse Cooper and the FMS and HR/Payroll software provider AccPac to install the FMS and provide training and support services to Manado based staff once employed. Because this must be done before Secretariat staff are employed and paid or CT6 funds are received, it includes an estimated cost for a temporary Finance Manager to be hired from extra- budgetary funding. It also includes the estimated cost of extended the tenure to the IRS Coordinator until the end of the 2014 to assist with the transfer of IRS functions and the cost of local IT service provider to undertake the installation of the IT system for the Manado building.

Staffing

Staff costs are based on the salaries and grades identified in the draft Regional Secretariat salary and benefits structure which is under development by the Hay Group in Jakarta, Indonesia. Based on a survey of similar organisations in the region, this will need final approval at Special SOM in May 2014 if it is to be used for remuneration decisions for the Executive Director and other permanent Regional Secretariat staff.

Staff costs include estimated basic salary based on the median determined for the particular position and an estimate of the number of months (1 - 6) the employee might be employed during the six month period which recognises that there will be a recruitment time lag between 1 July and appointment. A standard contingency figure of USD 12,600 per month has been adopted from the median of Level 23 of the Salary scale and USD 10,000 has been estimated to cover relocation costs for the Executive Director and key support staff who may be recruited nationally from Indonesia beyond Manado. This is designed to cover airfares, temporary accommodation, removal expenses, initial housing costs for the employee and dependents. A further 30% loading has been allocated to cover benefits such as health insurance, superannuation, leave, education allowances etc. the true costs of which will not be known until the Salary and Benefits structure is approved and the costs of health, travel and life insurance are negotiated with providers.

The estimated initial cost of the Executive Director is USD 108,200, the costs of key expat/ nationally recruited professional staff \$83,664 and that of locally recruited (Manado) support staff \$11,642. Recruitment costs estimated at \$10,000 for national and local recruitment bring the total estimated cost of staff and recruitment to \$213,586.

Travel and Meetings

This cost category is provided to ensure the initial Regional Secretariat has funding to maintain core Secretariat functions in the six month establishment period. It includes money for the Executive Director to travel if necessary (e.g. to provide support to the efforts of CT6 member countries to finalise their ratifications of the Establishment Agreement) and to cover costs associated with another round of SOM which has been mooted for November 2014.

Addressing staffing and budget needs

In the normal course of events, once the Regional Secretariat is fully established, the provisions of the Financial Regulations ensure a formal process for annual budget approval by the Council of Ministers which triggers approval for the Executive Director to seek the annual assessed contribution of each of the CT6 towards funding the budget. This is determined on the basis of the funding formula which was by the Council of Ministers at MM3, in November 2012.

Funding this initial Regional Secretariat establishment budget raises several issues:

- i. without the entry into force of the Establishment Agreement there is no formal process for approving this interim budget nor is there a mandate to seek funding from the CT6. Indeed it may well be the case that only those countries which have initially ratified the agreement can be expected to contribute and this may be as few as four in May.
- ii. experience in other regional organisations also points to often lengthy delays in the payment of contributions due to national processing requirements. If this is the case then the implementation of this plan will suffer accordingly.
- iii. the appointment of an Executive Officer is aimed at providing the capability to move the initial establishment process along. He/she will not be able to work effectively and in compliance with the Secretariat procedural rules, especially in relation of financial management without a functioning financial management system and linked HFR and payroll systems. Accounting principles also dictate that can there be no expenditure of CT6 member country contributions without these being lodged and accounted for under the Regional Secretariat's banking and transparent accounting processes which will be embedded in the FMS.
- iv. there can be no hiring and appointment of any Regional Secretariat staff, including the Executive Director, without funding available to meet recruitment and relocation costs and a system in place to pay the individual(s) concerned.
- v. it will not be possible to purchase the basic equipment needed to support any Secretariat staff who may be recruited.

The CT6 and Partners will need to work together between now and May 2014 to develop a strategy for mobilising the necessary resources to ensure the budget is funded to and to provide a strong fiscal platform for the initial operations of the permanent Regional Secretariat.



**CORAL TRIANGLE
INITIATIVE**

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

**2015 Operations Plan and Budget and Indicative
2016 and 2017 Operations Plan and Budget for the
Regional Secretariat of the CTI-CFF**

Revised 13 May 2014

List of Acronyms

CMWG	Coordination Mechanisms Working Group
CT6	Coral Triangle Member States: Indonesia, Malaysia, Philippines, Papua New Guinea, Solomon Islands and Timor Leste
CTI-CFF	Coral Triangle Initiative – Coral Reefs, Fisheries and Food Security
CTI CSO	Coral Triangle Initiative - Committee of Senior Officials
CTI COM	Coral Triangle Initiative - Council of Ministers
GDP	Gross Domestic Product
GIZ	German International Development Agency
HCA	Host Country Agreement
IMF	International Monetary Fund
IRS	Interim Regional Secretariat
NCC	National Coordinating Committee
RPOA	Regional Plan of Action (for the Coral Triangle Initiative)
SOM	Senior Officials Meeting
SPREP	Secretariat of the Pacific Regional Environment Programme
WEO	World Economic Outlook (of the International Monetary Fund)
USD	United States Dollars

Contents

1	Introduction	3
2	Regional Secretariat of the CTI-CFF 2015 - 2017 Indicative Operations Plan and Budget – Assumptions.....	3
2.	2015 Operating Scenario.....	4
2.1	Staffing	4
2.1.1	Staffing Structure in 2015.....	5
2.2	Operations scenario	6
2.3	Indicative Budget.....	7
3	2016 Operating Scenario	8
3.1	Staffing	8
3.2	Operations Scenario	10
3.3	Indicative Budget.....	11
4	2017 Operating Scenario	11
4.1	Staffing	11
4.2	Operations Scenario	12
4.3	Indicative Budget.....	12
5	Application of the CTI- CFF Regional Secretariat Assessed Contribution Formula to the Indicative Budgets	13
6	Conclusion	14
	APPENDIX 1. 2015 CTI-CFF REGIONAL SECRETARIAT STAFFING STRUCTURE (proposed)	16
	APPENDIX 2. 2016 CTI-CFF REGIONAL SECRETARIAT STAFFING STRUCTURE (proposed)	17
	APPENDIX 3. 2017 CTI-CFF REGIONAL SECRETARIAT STAFFING STRUCTURE (proposed)	18
	APPENDIX 4 CTI-CFF REGIONAL SECRETARIAT – FUNCTIONS.....	19
	APPENDIX 5. PROPOSED STAFF CHANGES AND ADDITION 2015 - 2017.....	20
	APPENDIX 6. INDICATIVE CORE OPERATING BUDGETS 2015 – 2017	22

INTRODUCTION

At the CMWG meetings held in Putrajaya, Malaysia, February, and Bali, Indonesia April 2014, the Committee reviewed the priorities for the establishment of the permanent Regional Secretariat of the CTI-CFF and an initial 2014 Operations Plan, proposed staffing structure and interim budget for the early establishment period May - December 2014. The Operations Plan identified the key actions which needed to be undertaken to ensure the basic structure of the Secretariat including key staff, was in place by the end of 2014 to allow for the measured development of the organization in the ensuing years.

Estimated costs for this initial establishment phase of 1 July - 31 December 2014 have been revised to US\$548,296, of which an estimated \$158,850 would be required to support critical set up activities prior to 1 July. Discussion of the 2014 Operations Budget led to a broader discussion of the likely costs of future support for the Secretariat's core budget which will need to be borne by the CT member States under the Establishment Agreement and the associated assessed contributions under permanent regional Secretariat funding formula.

These discussions identified a need for more information and a degree of certainty to help the countries in their efforts to secure internal agreement for the ratification of the Establishment Agreement. In this regard it was considered that an indicative Operations Plan and Budget for the three year period 2015 - 2017 would be helpful to the countries as it would enable them to submit a request for a consistent annual contribution and avoid large fluctuations over the three year period. Although acknowledging this would be a difficult task before the Secretariat begins actual operations, the Consultants were asked to draft annual and aggregated indicative budgets for the three years to assist discussion and a decision on contributions at the forthcoming special SOM and Ministerial Meeting 5. This requirement is addressed in Table 7 of the plan.,

REGIONAL SECRETARIAT OF THE CTI-CFF 2015 - 2017 INDICATIVE OPERATIONS PLAN AND BUDGET – ASSUMPTIONS

The 2015 – 2017 indicative Operations Plan and Budgets are built upon the institutional foundation and budget proposed under the 2014 Operations Plan. Central to this is the CMWG decision that an appropriate organisational structure for the initial Secretariat would consist of 5 professional staff as any less might be too skeletal to carry out even the most basic responsibilities of this important intergovernmental institution.

It is based on the following key budget assumptions:

- That the indicative budgets include only core operational funding – that is funding for the essential staff and activities of the Secretariat. No program funding other than basic expenses and travel is included, the assumption being that this will be generated primarily from extra budgetary sources.
- By the end of 2014 the initial Regional Secretariat will be established in the CTI-CFF Center Building in Manado, Sulawesi, headed by an Executive Director and with the following professional staff in place:
 - Finance Manager

- Operations/Office Manager
- Information Management and Communications Manager
- Coordinator (ex IRS).
- While the 2014 staffing structure will serve the Secretariat initially, there will be phased growth in professional staff commensurate with the development of the Secretariat as it strives to fully meet the full range of responsibilities designated in the Establishment Agreement and the expectations of the CT6, CTI-CFF Partners and donors and development agencies. It also assumes that, with the exception of senior executive staff and minimal new but essential professional staff, additional professional and some related support positions will be linked to, and supported by, new grant funding and will not be a drain on the core operating budget.
- The fit out and furnishing of the Secretariat Offices and the installation of the IT and Telephone Systems will be completed by the Indonesian Government and any further fit out, furniture and IT upgrades beyond 2014 will be the responsibility of the Secretariat.
- The Indonesian Government will continue to cover the cost of structural building maintenance but that the Secretariat will be responsible for day to day maintenance of the building and grounds.
- The Secretariat will be responsible for utilities (electricity, water etc), or at least a portion of those needed for the building.

On the basis of these key assumptions, the following scenarios and associated indicative budgets have been derived for consideration and as a guide to the Secretariat's likely core operating costs in the first critical years of operation.

2. 2015 OPERATING SCENARIO

Staffing

The initial and future staffing structure of the CTI-CFF Regional Secretariat is fundamental to its performance and capacity to meet its multiple functions and the expectations of the CT6, CTI Partners and the many other CTI-CFF stakeholders. Balancing an appropriate number and level of staff to ensure the Secretariat can perform effectively with the constraints of budget is very difficult, especially as the cost of staff is largest expense category of any regional inter-governmental organization. The CTI-CFF Regional Secretariat is no exception and the following staffing scenarios have been developed on an understanding of the functions expected of the Secretariat (see Appendix 4) and the financial constraints facing the CT6 as they contemplate a reasonable level of annual contributions to the core budget.

It should be noted that the staffing proposed in the following annual scenarios and the operational costs are considered by the Consultants as necessary for the essential operations of the Secretariat and to meet the staff provisions of the Establishment Agreement. As such they are identified as being appropriate for core budget funding i.e. from the guaranteed contributions of the CT6.

It should also be noted that there is a good likelihood of other extra-budgetary funding sources of becoming available to the Secretariat as it demonstrates its value and capabilities

and builds credibility with donors and potential partners. These funds will be in the form of grants for programmes and projects related to the implementation of the RPOA and building capacity across the Coral Triangle. They will provide opportunities to strengthen and build the capacity of the Secretariat through the recruitment of project/programme management and technical staff and through the provision of administrative and management overheads. The success of the Secretariat in accessing these vital sources of extra-budgetary support in the 2015 – 2017 period will be largely dependent on the capabilities of the Executive Director and other professional staff. It will also depend on being able to demonstrate that the Secretariat has the capacity to manage the affairs of the CTI-CFF effectively. To do so the Secretariat needs a strong core team such as proposed in the following scenarios.

Staffing Structure in 2015

2015 will build on the basic institutional foundation established in 2014. It will be a year of operational consolidation with modest staff growth and improved capacity to help meet the range of functions stipulated in Article 5 of the Establishment Agreement. The proposed 2015 staffing structure for the Secretariat is depicted in Appendix 1 and positions recommended for recruitment in 2015 are summarized in Table 1 and explained below:

Table 1. Staff Changes and Additions proposed for 2015

New Positions 2015	Previous status	Budget Support
Deputy Executive Director – Corporate Services	Re designation of 2014 Coordinator position	Core Budget
Monitoring and Evaluation Specialist	New	Possible GIZ
GIS/Data base manager	New	Possible GIZ
Publications Assistant	New	Core budget or Possible WWF
IT Systems Technician	New	Core Budget
Personal Asst. for Dep. Executive Director – Corporate Services	New	Core Budget

- All baseline staff directly involved in the Secretariat's operational management and focused on establishing and refining the administrative systems of the Secretariat throughout 2015. Baseline staff will consist of the:
 - Executive Director;
 - possibly the Coordinator;
 - Finance System Advisor/Manager;
 - Operations /Office Manager; and
 - Local support staff.
- Recruitment of the **Deputy Executive Director Corporate Services**, noting under the Establishment Agreement a Deputy Executive Director of Program Services must also be established. Availability of funding and assessment of the need for both positions will be decisions for the Executive Director. As an interim alternate to recruiting a Coordinator, this could be delayed and the Deputy Executive Director Corporate Services could be filled in 2015 to free the Executive Director from the detail of day to day management so he/she may concentrate on the external affairs of the CTI-CFF (CT6 networking, policy, fundraising and international relations). Based on the amount of work which will still need to be done to continue the organisations establishment processes and the number of corporate service staff who will be employed by 2015, it is logical that priority be given to the Deputy Executive Director Corporate Services position to provide leadership for these processes.
- **Monitoring and Evaluation Specialist** – to add the professional capacity needed to develop and manage a collaborative science based approach to measure the changing environmental, social and economic status of the Coral Triangle. This important function is specified in Article 5 of the Establishment Agreement and the Regional Secretariat with its broad CT6 coordination function and mandate is best placed to undertake the role. It will ensure the investment made in the development of the CTI-CFF M&E Framework and the Coral Triangle Atlas, both vital components for the effective measurement of the impact and outcomes of the CTI-CFF, is mainstreamed as a core Secretariat function. Establishing this position early on will be critical in demonstrating the determination of the Secretariat and the CTI-CFF to implement the RPOA Goals. It will serve to strengthen the confidence of the CT6, donors and other supporting partners and stakeholders in the future of the CTI-CFF as a regional mechanism for guiding the effective and sustainable management of the Coral Triangle and its marine and coastal resources. Interest in supporting this position has been expressed by GIZ which if it transpired, would represent a significant contribution to the development of the Regional Secretariat.
- A locally recruited **Data Base/ GIS Manager** to support the Monitoring and Evaluation Specialist.

Operations scenario

The following activities will dominate in 2015:

- **Corporate Services** - consolidating the work on the management and administrative systems and operating policies which were started in 2014 and in ensuring these are

adapted as necessary to meet the particular needs of the Secretariat operating in Manado. These could include developing a travel policy, relocation policy, housing policy, special leave entitlements, and vehicle policy. Effort may need to be applied to surveying the accommodation market in Manado to determine benchmark fair pricing for rental accommodation for an expatriate staff housing allowance, identifying and contracting local service providers for such things as recruitment, travel, insurance etc. Staff training will also be a focus.

- **Program Services** - building capacity for and effectively managing the Secretariat's core functional responsibilities for communications and information dissemination involving the establishment of good communications and linkages with the CT6 countries and their CTI-CFF agencies including the NCC's, CTI Partners, donors and other stakeholders. This will involve the organization of meetings, workshops and ensuring Secretariat input to other regional and international meetings with relevance to the work of the CTI-CFF. The production of information materials and the management of the CTI-CFF website will be important activities.
- **Monitoring and evaluation** - If the appointment of the Monitoring and Evaluation Specialist and GIS/Database manager proceeds then the integration and further development of the CTI-CFF Monitoring and Evaluation framework and establishing the Coral Triangle Atlas within the Secretariat will be important programme goals. This will also involve seeking the "buy in" of the CT6 and Partners on information sharing protocols.
- **Strengthening partnerships** - Throughout 2015 it is anticipated that the Executive Director will be actively strengthening existing partnerships and looking to build new ones with CT6 government agencies, CTI Partners, other regional organisations e.g. SPREP and most importantly, with existing and new donors interested in supporting the implementation of the Regional Plan of Action and in funding programmes which could be administered/managed through the Secretariat.

Indicative Budget

By the beginning of 2015 the Regional Secretariat will have only a very a short history of expenditure but will be in a marginally better position to estimate an actual 2015 Budget than is currently the case. Importantly, the support of the Indonesian Government and conditions of operation under the Host Country Agreement will be confirmed and will be factored into the actual budget.

The 2015 Indicative budget is **USD 822,638** as show in Table 2. Operationally, the Secretariat will be both consolidating the initial establishment work undertaken in 2014 and looking to strengthen the institutional structure so it is well able to efficiently support growth over the ensuing years. The 2015 Indicative budget reflects the full 12 month cost of the operational budget components such as utilities, insurances, communications, meetings, travel etc. as well as the full annual cost of staff (see Appendix 6 for category details). In particular the costs of meetings, travel and other facilitation activities which are critical functions of the Secretariat increase significantly over 2014.

Table 2. 2015 Indicative Budget Summary*

2015 CTI-CFF Regional Secretariat Core Operating Budget Summary	
CTI-CFF Regional Secretariat Core Operations	USD
Operating Expenses	104,200
Capital Expenditure	25,750
Total Contracts	50,000
Total Expenses, Capital and Contracts	179,950
STAFFING	
Executive	273,640
Ex Pat/Nationally recruited professional	192,208
Locally Recruited Support	76,840
Total Staff 2015	542,688
Recruitment Costs	10,000
Travel and Meetings	90,000
TOTAL SECRETARIAT CORE OPERATIONS 2015	822,638

*See Appendix 6 for details.

As mentioned above, there is also a possibility that new programme development and growth including dedicated professional staff will be supported by extra- budgetary sources (non CTI core budget contributions) such as by CT Partners and other international donors. This is the case with most other international Secretariats and is reflected in the Indicative core budget. However, with the CTI-CFF Secretariat it is too early to tell how successful the Executive Director and staff will be in securing the grants needed to lock in this support so the indicative budgets in this plan reflect the costs of staff considered essential to the operations and designated functions of the Secretariat to be funded from core budget.

2016 OPERATING SCENARIO

Staffing

Staff changes and additions for 2016 are summarized in Table 3 and explained below. Refer Appendix 2 for more information.

Table 3. Staff Changes and Additions Proposed for 2016

New Positions 2016	Status	Budget Support
Deputy Executive Director- Program Services	New	Core Budget
1 Professional – Marine and Coastal Management or Multi- lateral Environment Agreements/Policy or similar	New	Core Budget
Personal Asst. Dep. Exec Director	New	Core Budget
Possible professional associated with Grant funded programme	New	Extra Budgetary grant

Executive and Professional staff

By 2016 the Regional Secretariat will have one full year of operations behind it and be well on the way to establishing its credibility and reputation as a new regional organization. Its mandate should be well understood by stakeholders and the leadership of the Executive Director should be helping to build strong supporting partnerships which will extend to the development of projects and programmes in support of RPOA implementation. Some of these may be CTI-CFF multi- country technical and capacity strengthening programmes which the Regional Secretariat with its networking, communication and information management mandate could manage on behalf of the CT6 and Partners.

These programmes are commonplace within many international organisations and often funded by the global and international environmental and development agencies (GEF, ADB, UNDP etc) and by bilateral donors. They represent important opportunities for the organisations involved because they provide the funds to both deliver on broad program responsibilities (in this case through the implementation of the RPOA), strengthen the regional role of the Secretariat and importantly, provide extra budgetary funding and fees to support the recruitment of new programme staff and overall Secretariat operations and management.

It is proposed the second **Deputy Executive Director – Program Services**, be recruited in 2016 to support the Executive Director in his role and ensure the Secretariat has the senior

management capacity to develop new programmes and secure extra-budgetary funding. This will ensure leadership and oversight of all future Secretariat technical programmes (including the existing Information Management and Communications and Monitoring and Evaluation programs) and the development and negotiation of grant proposals with funding agencies, the establishment of related management systems and strengthening technical networking and communications with all implementing stakeholders of the RPOA.

In 2016 the extent of the role and functions of the Regional Secretariat will be taking shape and the need for and role of additional core professional staff should become clearer. Previous scenarios have promoted the establishment of at least two additional core funded positions to strengthen the professional capacity of the Secretariat:

- **Marine and Coastal Resources Advisor:** Responsibility for the provision of expert advice on all aspects of marine and coastal resources management to the SOM and MM, coordination of cross cutting services in this functional area, liaison with RPOA implementing partners, developing a focussed marine and coastal resource management regional agenda and supporting information dissemination and capacity enhancement across the Coral Triangle; OR
- **Multilateral Agreements and Policy Advisor:** Responsibility for the provision on expert advice on multi-lateral agreements affecting the CTI, identifying and developing opportunities for strengthening regional policy solutions to CTI resource management issues and approaches, assist the development of high level support for the CTI including the mobilization of resources.

The logic to establish both positions as core funded roles in the Secretariat is that the Marine and Coastal Resources Advisor is needed to provide the Secretariat with specific expertise and capacity directly related to its overall function of facilitating the RPOA. The Multilateral Agreements and Policy Advisor would provide the same expertise and capacity in relation to the discharge of the Secretariat's international obligations and in particular the coordination of CT6 policy responses to vital issues affecting the environmental, economic and social sustainability of the coastal and marine resources and the communities which depend on them. The decision to establish one or other of these suggested positions (or some other core funded professional staff position) will be taken by the Executive Director in 2015 – 2016. This Operations Plan and indicative budgets include core funding for one of these positions in 2016 and another in 2017.

Support Staff

2016 additions to the Support staff team will be minor and consist of the addition of a locally recruited **Personal Assistant for the Deputy Executive Director – Program Services**. A further possible addition could be a **Grants Assistant** to work specifically on accounting and financial reporting of any new grants that may have been secured.

Operations Scenario

The following activities will dominate in 2016:

- **Corporate Services** - consolidating corporate functions under the leadership Deputy Executive Director Corporate Services. These will include the strategic planning and budget development, review and updating of existing operating policies, addition of

new policies to meet the needs of the expanding organization and facilitating the governance of the CTI-CFF involving the logistics of SOM and related meetings. Facilitating recruitment of the Deputy Executive Director – Program Services, one other Professional staff member (possibly Marine and Coastal management or Multi-lateral Environment Agreements/policy) and local support staff.

- **Professional Operations** - should transition to the leadership of the Deputy Executive Director- Program Services and will include maintaining the Information and Communications and Monitoring and Evaluation functions established in 2015. Under the new leadership the Secretariat should be working more actively engage with the CT 6 and CTI Partners to develop strategies and programmes in support of the implementation of the RPOA, including new funding and new partnerships. As indicated above, the appointment of a further core funded professional staff member (Marine and Coastal management or Multi-lateral Environment Agreements/Policy) will be an important addition to the Secretariat’s capacity to address these functions.

Indicative Budget

The 2016 Indicative budget is **USD 1,059,660** as shown in Table 4, includes a 7.5% overall increase to the 2015 budget to meet estimated annual inflation (see Appendix 6). The bulk of the increase is due to the expenses associated with recruitment of the Deputy Executive Director – Program Services, one other Professional staff member (possibly Marine and Coastal management or Multi-lateral Environment Agreements/policy) and locally recruited Personal Assistant for the Dep. Executive Director – Program Services.

Table 4. 2016 Indicative Budget Summary*

2016 CTI-CFF Regional Secretariat Core Operating Budget Summary	
CTI-CFF Regional Secretariat Core Operations	USD
Operating Expenses	110,815
Capital Expenditure	25,750
Total Contracts	50,000
Total Expenses, Capital and Contracts	186,565
STAFF	
Executive	392,872
Ex Pat/Nationally recruited professional	275,037
Locally Recruited	97,937
Total Staff 2016	765,846
Recruitment Costs	10,000
Travel and Meetings	97,250
TOTAL SECRETARIAT CORE OPERATIONS 2016	1,059,660

*See Appendix 6 for details.

2017 OPERATING SCENARIO

Staffing

Predicting the organizational development status of the Secretariat three years hence is difficult but building on the previous scenarios, the addition of at least one further

professional staff member in 2017 is provided for in the budget. This position could be one or other of the Marine and Coastal specialist or Multi-lateral Environment Agreements/Policy roles suggested for 2016.

As previously mentioned, opportunities for strengthening the Secretariat capacity will also arise from grant supported programs or projects, especially where these are to be delivered to multiple countries.

Staff changes and additions for 2017 are summarized in Table 5 below. Refer Appendix 3 for more information.

Table 5. Staff Changes and Additions Proposed for 2017

New Positions 2017	Status	Budget Support
1 Professional – Marine and Coastal Management or Multi-lateral Environment Agreements/Policy or similar	New	Core Budget
Possible professional associated with Grant funded programme	New	Extra Budgetary grant

Operations Scenario

The following activities will dominate in 2017:

- Corporate Services** - all the important elements of the Secretariat's administrative and management systems should be in place and functioning efficiently and effectively. These will be supporting the Secretariat's operations and importantly ensuring the effective servicing of the CTI COM and CTI CSO including reporting and servicing of meetings etc.
- Program Activities** - the Regional Secretariat will have a strong sense of its future direction and priorities. Funding prospects will have been identified and in some cases secured and the organization will have the basic capacity and resources to support its core activities. Under this scenario the Secretariat might find 2017 an opportune time to facilitate a full review of the RPOA which was originally developed in 2009 engaging in wide-ranging consultations with the CT6, CT Partners, donors and development agencies, NGO's and other stakeholders including regional and international organisations and the private sector industry groups.

Indicative Budget

The 2017 Indicative Budget is **USD 1,203,481** as outlined in Table 6, includes a 7.5% increase to the 2016 Budget to reflect estimated annual inflation. Additional items contributing to the increased budget are the cost of a replacement vehicle (after 3 years) the

estimated cost of recruitment of one additional core budget funded professional position to be determined by priorities, funding availability and programmatic opportunity. See Appendix 6 for category details.

Table 6. 2016 Indicative Budget Summary*

2017 CTI-CFF Regional Secretariat Core Operating Budget Summary	
CTI-CFF Regional Secretariat Core Operations	USD
Operating Expenses	119,126
Capital Expenditure	49,750
Total Contracts	50,000
Total Expenses, Capital and Contracts	218,876
STAFF	
Executive	411,587
Ex Pat/Nationally recruited professional	353,068
Locally Recruited	105,282
Total Staff 2016	869,937
Recruitment Costs	10,000
Travel and Meetings	104,669
TOTAL SECRETARIAT CORE OPERATIONS 2017	1,203,481

APPLICATION OF THE CTI- CFF REGIONAL SECRETARIAT ASSESSED CONTRIBUTION FORMULA TO THE INDICATIVE BUDGETS

The application of the funding formula for the CTI-CFF Regional Secretariat as approved under *Regulation 8 Provision of Funds, Paragraph 1 (a), Paragraph 2 and Schedule 1 of the Financial Regulations* may be of interest to the members and could assist forward planning and decisions with regard to making forward estimates and provision for those contributions.

It should be noted that Paragraph 1 (a) and Paragraph 2 both refer to the provision of funds in accordance with *Schedule 1 of the Regulations* under which Parties will contribute to the General Fund of the Secretariat on the following basis:

- (a) *The total amount to be contributed will be determined by the CTI-COM based on the draft budget provided by the Secretariat;*
- (b) *Sixty percent (60%) of the amount identified in paragraph (a) of the Schedule will be contributed by each of the Parties in equal shares; and*
- (c) *The remainder of the total amount identified in paragraph (a) of the Schedule will be divided between the Parties based upon the relative size of their gross domestic product (GDP) as calculated by the most recent year for which GDP figures are available for all Parties.*

Table 7 below shows the application of this formula to the 2015- 2017 indicative budgets. These calculations are offered to provide members with an indication of the relative proportion of contributions for each of the CT6 to the different budget levels over time. Based

on the aggregate total (**USD 3,085,781** of the 2015 – 2017 budgets), the application of the formula will yield a 3-year average of **USD 1,028,594** (see Table 7 below).

One difficulty encountered in the application of the formula was in identifying an appropriate source for the GDP figures for member States. In the absence of any guidance by the Financial Regulations on this matter, and in keeping with previous examples of how the formulae might be applied, the International Monetary Fund (IMF) measures of estimated gross domestic product (GDP), current prices, expressed in billions of USD was adopted. This is based on the consistency and long history of GDP measurement and estimation by this global economic authority and the availability of data from the World Economic Outlook (WEO) database.

However, it should be noted that 2011 is the most recent year for which actual (non estimated) GDP figures are available for all Parties as required by under Schedule 1 (c) for all six CT countries is 2011. For the purposes of this report the Consultant has chosen the 2011 figures for calculating the assessed contributions. Interestingly, a review of the IMF's actual and estimated GDP figures from 2011 through to 2017 shows only minor changes in the proportionate GDP ratios between the CT6 countries.

Table 7 Application of CTI – CFF Regional Secretariat Funding Formula to Indicative Budgets 2015-2017

Assessed Contributions: 2015 - 2017 Indicative Operations Budgets 60:40 Funding Formula (2011) GDP estimates							
Country	GDP (estimated Billions) 2011*	Proportionate % Total CT6 GDP 2011*	60:40 Funding 2015	60:40 Funding 2016	60:40 Funding 2017	3 Year Total & Average	Annual 60:40 Funding of 3 Year Average
			US\$	US\$	US\$		US\$
Indonesia	846.159	61.36767634	\$ 284,197	\$ 366,082	\$ 415,768		\$ 355,349
Malaysia	289.046	20.96305939	\$ 151,244	\$ 194,821	\$ 221,263		\$ 189,109
Papua New Guinea	12.869	0.933324147	\$ 85,335	\$ 109,922	\$ 124,841		\$ 106,699
Philippines	224.095	16.25248851	\$ 135,744	\$ 174,855	\$ 198,587		\$ 169,728
Solomon Islands	0.869	0.06302422	\$ 82,471	\$ 106,233	\$ 120,652		\$ 103,119
Timor Leste	5.797	0.42042739	\$ 83,647	\$ 107,748	\$ 122,372		\$ 104,589
TOTAL	1378.835	100	\$ 822,638	\$ 1,059,661	\$ 1,203,482	\$ 3,085,781	\$ 1,028,594
60%			\$ 493,583	\$ 635,796	\$ 722,089		\$ 617,156
60%/CT6			\$ 82,264	\$ 105,966	\$ 120,348		\$ 102,859
40%			\$ 329,055	\$ 423,864	\$ 481,393		\$ 411,437
3 Year Average						\$ 1,028,594	

*IMF World Economic Outlook 2011 GDP (current prices National currency) for CT6 countries in USD

CONCLUSION

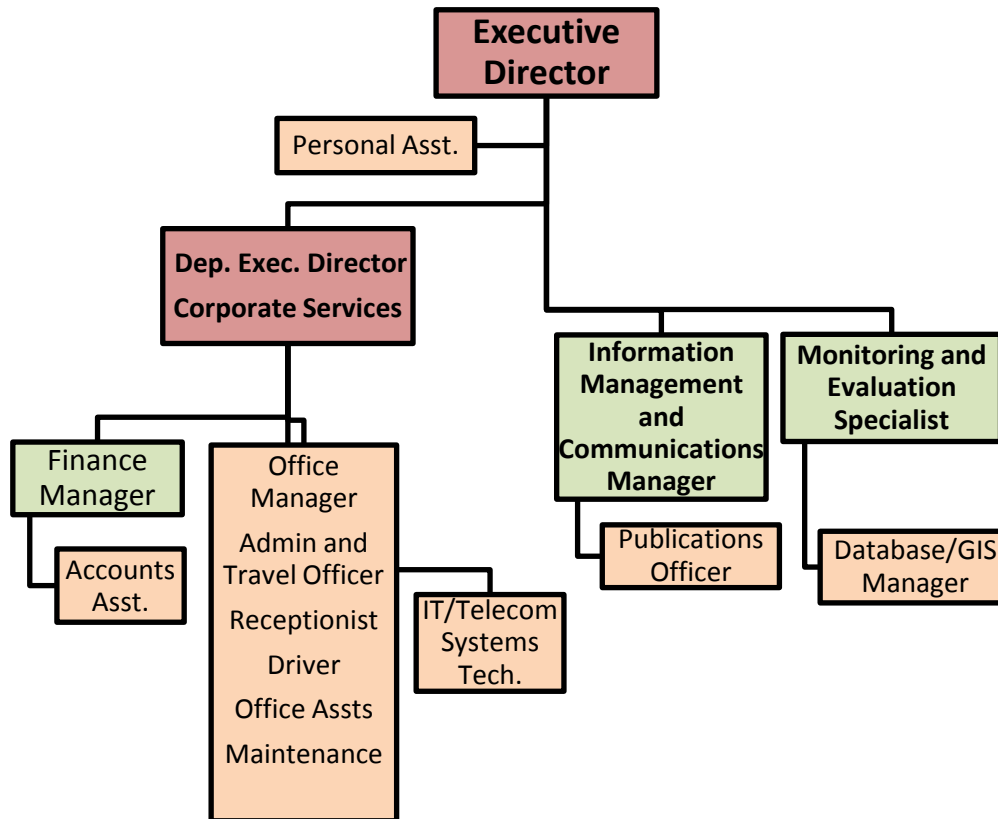
The operating scenarios and indicative budgets described above illustrate the levels of staff and annual investment the CT6 will need to consider in order to establish the CTI-CFF Regional Secretariat as a credible regional intergovernmental organization. They are developed from the perspective of ensuring the Secretariat starts its life with the basic institutional capacity to meet its key functional responsibilities and provide a foundation for modest future growth. The Operations Plan identifies and quantifies those elements of the Secretariat and its operations considered essential for these purposes and without which it would be severely hampered in meeting its responsibilities. The cost of these critical elements which form the core operations budget should be guaranteed through funding from

the assessed contributions of the CT6 Member States and not be reliant on uncertain extra-budgetary funding.

Adequate and confirmed core budget funding for the Secretariat will also provide the institutional stability needed to support the development and growth of the Secretariat's technical programs. It will signal the commitment of the CT6 to the future of the CTI-CFF and enable the Executive and program staff to build partnerships and attract the interest and confidence of donors and development agencies to develop CTI multi country grants in support of the implementation of the ROPA and strengthening of capacity across the CT region. This extra budgetary funding has proved essential to the growth and operations of other similar regional organisations and will be equally important to the future sustainability of the CTI-CFF Regional Secretariat, and the CTI-CFF.

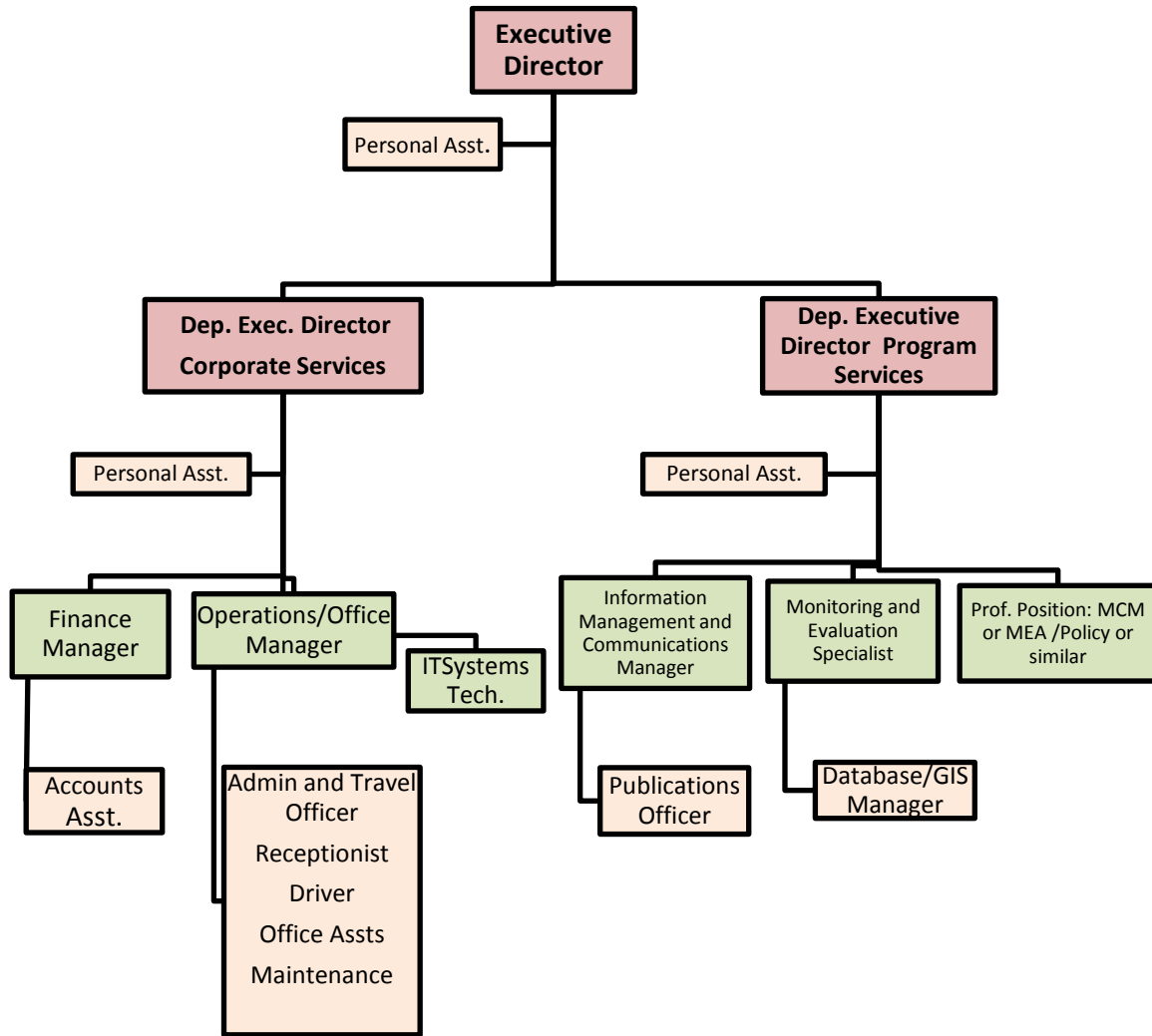
The short history of the CTI-CFF has shown immense goodwill by key donor and development agencies exists and this has already translated into substantial funding support delivered to the CT6 and CT Partners for many and varied program activities. With a strong and effective Regional Secretariat in place there is every reason for optimism that the substantial levels of past funding support will be sustained and increased significantly in the future, resulting in a substantial return on the relatively annual modest investment by the CT6 proposed in this report.

APPENDIX 1. 2015 CTI-CFF REGIONAL SECRETARIAT STAFFING STRUCTURE (PROPOSED)



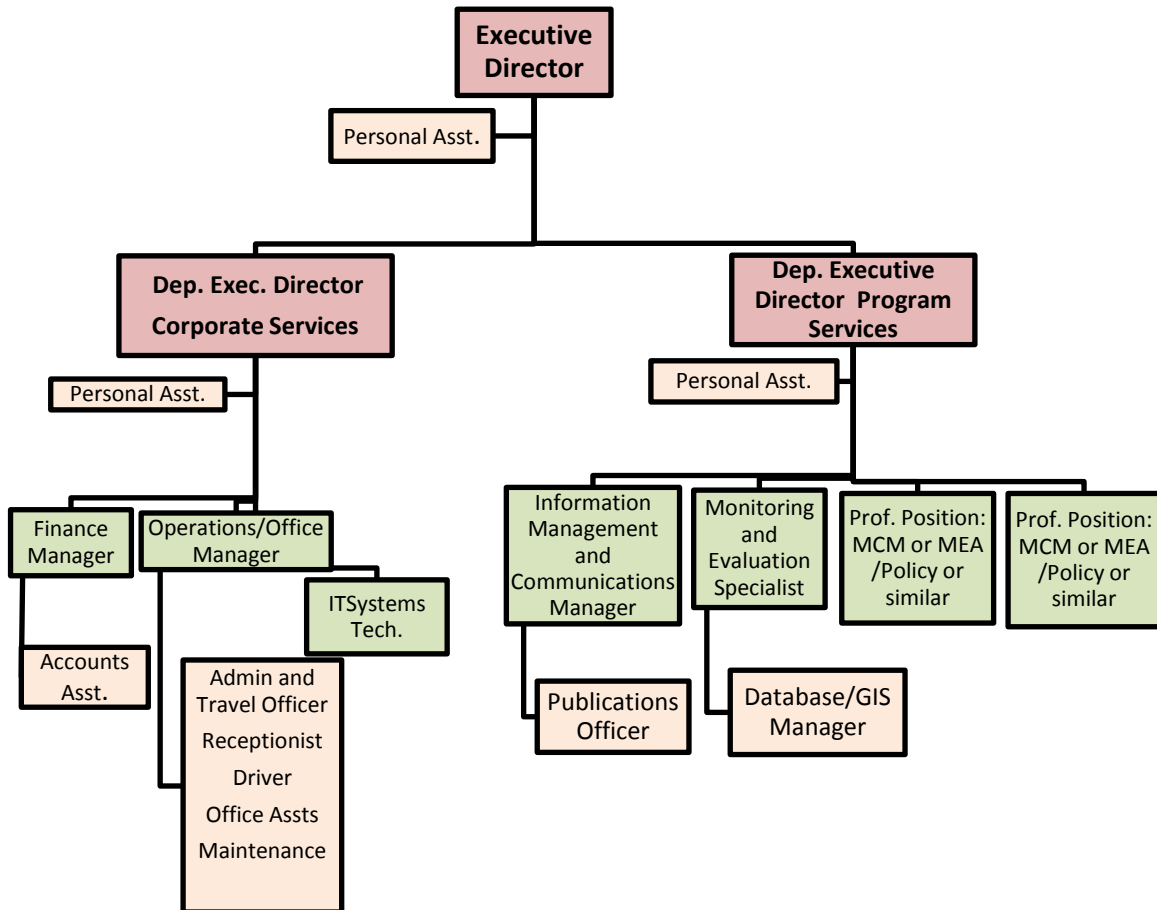
	Executive staff
	Expat or Nationally Recruited Professional staff
	Locally Recruited Support staff

APPENDIX 2. 2016 CTI-CFF REGIONAL SECRETARIAT STAFFING STRUCTURE (PROPOSED)



	Executive staff
	Expat or Nationally Recruited Professional staff
	Locally Recruited Support staff

APPENDIX 3. 2017 CTI-CFF REGIONAL SECRETARIAT STAFFING STRUCTURE (PROPOSED)



	Executive staff
	Expat or Nationally Recruited Professional staff
	Locally Recruited Support staff

APPENDIX 4. CTI-CFF REGIONAL SECRETARIAT – FUNCTIONS.

Article 5

Functions of the Secretariat

The Secretariat functions shall include the following:

- a) coordinate and support official meetings and events linked to the CTI-CFF process, including cross-cutting services in support of monitoring and evaluation, financial coordination, information management and outreach;
- b) coordinate the implementation of the CTI-CFF RPOA and provide support to, and coordination with, NCCs, including advising the CTICSO on emerging opportunities and priorities related to reaching goals and targets of the RPOA;
- c) develop regional plans, programmes and project activities in relation to CYTI-CFF for consideration of the CTI-COM in accordance with the approved policy guidelines set through the CYI CSO,
- d) act as a channel of communication and share information and foster networking among Parties, CTO Partners and other organisations and donors in the efforts to promote the objectives of the CTI-CFF;
- e) facilitate technical assistance, including recruiting and sourcing experts to support the Parties, in line with appropriate needs assessment procedures;
- f) assist the Parties in financing agreed projects and activities through support from CTI Partners and financial institutions; and
- g) perform such other duties and functions as may be assigned to it by the CTI COM or the CSO.

APPENDIX 5. PROPOSED STAFF CHANGES AND ADDITION 2015 - 2017**Staff Changes / Additions Proposed for 2015 - 2017**

New Position 2015	Previous status	Budget Support
Deputy Executive Director – Corporate Services	Re designation of 2014 Coordinator position	Core Budget
Monitoring and Evaluation Specialist	New	Possible GIZ
GIS/Data base manager	New	Possible GIZ
Publications Assistant	New	Core budget or Possible WWF
IT Systems Technician	New	Core Budget
Personal Asst. for Dep. Executive Director – Corporate Services	New	Core Budget
New Positions 2016		
Deputy Executive Director- Program Services	New	Core Budget
1 Professional – Marine and Coastal Management or Multi-lateral Environment Agreements/Policy or similar	New	Core Budget
Personal Asst. Dep. Exec Director Program Services	New	Core Budget
Possible professional associated with Grant funded	New	Extra Budgetary grant

programme		
New Positions 2017		
1 Professional – Marine and Coastal Management or Multi-lateral Environment Agreements/Policy or similar	New	Core Budget
Possible professional associated with Grant funded programme	New	Extra Budgetary grant

APPENDIX 6. INDICATIVE CORE OPERATING BUDGETS 2015 – 2017

CTI -CFF Regional Secretariat - Indicative Core Operating Budgets 2015 -2017				
CORE BUDGET CATEGORY	2015 OPERATIONS	2016 OPERATIONS	2017 OPERATIONS	ASSUMPTIONS AND NOTES
OPERATING EXPENSES		7.5% Inflation	7.5% Inflation	Inflation is compounded
Insurances	15,000	16,125	17,334	Building & Equipment, Liability, Staff Travel and Insurance (estimated)
Electricity & Water	24,000	25,800	27,735	2000/mth for 12 mths
Communications/Telephone and Internet connections and costs	12,000	12,900	13,868	/mobile/land line/internet 1,500/mth.
Office Supplies	3,000	3,225	3,467	basic supplies only 250/mth
Publications and Printing	10,000	10,750	11,556	L/H /forms/business cards/Secretariat flyer + CTI Newsletters, Information sheets, Meeting reports etc
Website and maintenance	1,500	1,613	1,733	CTCP and CT Day sites
Audit	5,000	5,375	5,778	Required under Financial Regs
Bank Charges (International transactions /account operating fees)	6,000	6,450	6,934	Account fees, Internaitonal transfers etc 500/mth
Postage/Courier	2,400	2,580	2,774	200/mth
Vehicle Rental	2,100	2,258	2,427	35/day x 60 days - additional vehicle requirements for meetings VIP visits.
Vehicle Fuel and Maintenance	7,200	7,740	8,321	12 months running x 300/month x 2
Hospitality	6,000	6,000	6,000	For VIP and special meeting functions
Misc.	10,000	10,000	10,000	Contingency
Total Operating Expenses	104,200	110,815	119,126	
CAPITAL EXPENDITURE				
Replacement Vehicle Purchase (Toyota Avanza or similar)			24,000	Replacement Secretariat vehicle
Furniture and Office Equipment	5,000	5,000	5,000	Additional beyond intial Indonesia Govt commitment to provide furniture
IT System server, software,cabling				Indonesian Govt. Commitment to provide Server/UPS/ cables installation/software To Be confirmed
Computers	8,250	8,250	8,250	Laptops @1.5k x 3 Desktops@1.25K x 3
Software and licenses	7,500	7,500	7,500	MSOffice Publisher, Dbase manager etc
Mobiles and Telephone system	5,000	5,000	5,000	Mobile Phones for Dep Exec Dir - Corporate services and Professional staff - including replacements
Total Capital Expenditure	25,750	25,750	49,750	
CONTRACTS				
Miscellaneous Consultancies	50,000	50,000	50,000	Finance / HR- Payroll staff training - Misc - eg strategic planning, further Ops policy etc.
Total Contracts	50,000	50,000	50,000	
TOTAL OPERATING,CAPITAL AND CONTRACTS	179,950	186,565	218,876	
				<i>Budget continued on next page</i>

STAFFING				
Internationally Recruited Staff				
<i>Executive Director</i>	151,200	162,540	174,731	ED 12,600/mth (Median r L23) Increased by 7.5%/year
Relocation				
Benefits @ 30% for 2015 increasing to 40% 2016 - 2017	45,360	65,016	69,892	
TOTAL Executive Director costs	196,560	227,556	244,623	
<i>Deputy Executive Director - Corporate Services</i>	51,600	55,470	59,630	12 mths @ 4300 /mth (median L20) increased by 7.5%/year
Relocation	10,000			
Benefits @30%for 2015 increasing to 40% 2016 - 2017	15,480	22,188	23,852	
TOTAL Dep. Executive Director costs	77,080	77,658	83,482	
<i>Deputy Executive Director - Program Services</i>		55,470	59,630	Deputy Exec Director Programme Services recruited 2016(median L20)4300X7.5%
Relocation		10,000		
Benefits @30%for 2015 increasing to 40% 2016 - 2017		22,188	23,852	
TOTAL Dep. Executive Director costs		87,658	83,482	
TOTAL Executive Staff	273,640	392,872	411,587	
Expat /National Recruited Professional Staff				
<i>Finance Manager</i>	31,680	34,056	36,610	12 mths @2640 Median L17 increased by 7.5%/year
Relocation				
Benefits @ 30%for 2015 increasing to 40% 2016 - 2017	9,504	13,622	14,644	
TOTAL Finance Manager	41,184	47,678	51,254	
<i>Office/Operations Manager</i>	31,680	34,056	36,610	12 mths @2640 Median L17 increased by 7.5%/year
Relocation				
Benefits @ 30%for 2015 increasing to 40% 2016 - 2017	9,504	13,622	14,644	
TOTAL Office/Operations Manager	41,184	47,678	51,254	
<i>Communications/Information Coordinator</i>	38,400	41,280	44,376	12 mths @3,200 (median L18))
Relocation				
Benefits @ 30%for 2015 increasing to 40% 2016 - 2017	11,520	16,512	17,750	
Total Communications and Information Coordinator	49,920	57,792	62,126	
<i>Monitoring and Evaluation Specialist</i>	38,400	41,280	44,376	12 mths @3,200 (median L18))
Relocation	10,000			
Benefits @30%for 2015 increasing to 40% 2016 - 2017	11,520	16,512	17,750	
TOTAL M&E Specialist	59,920	57,792	62,126	
<i>Professional Staff Marine Coastal or MEA/Policy or similar</i>		38,640	41,538	12 mths @3,200+7.5% (median L18))
Relocation		10,000		
Benefits @30%for 2015 increasing to 40% 2016 - 2017		15,456	16,615	
Total 2016 New core funded Professional		64,096	58,153	
<i>Professional Staff Marine Coastal or MEA/Policy or similar</i>			41,538	12 mths @3,200 +15% (median L18))
Relocation			10,000	
Benefits @30%for 2015 increasing to 40% 2016 - 2017			16,615	
Total 2017 New core funded Professional			68,153	
Total Ex Pat/Nationally recruited professional staff	192,208	275,037	353,068	
TOTAL Initial Executive and ExPat/ National Professional Staff	465,848	667,909	764,655	<i>Budget continued on next page</i>

Locally Recruited Support Staff				
Admin /Travel officer	5,850	6,289	6,760	13 mths X450 - median L10
Accounts Asst.	6,500	6,988	7,512	13 mths x500 - median L11
Receptionist	4,030	4,332	4,657	13 mths x310 - median L9
IT Services Technican	6,500	6,988	7,512	13 mths x 500/mth median L11
GIS/Dbase manager	6,500	6,988	7,512	13 mths x 500/mth median L11
ED Personal Assistant	5,850	6,289	6,760	13 mths x 450 - median L10
Office Asst.	4,030	4,332	4,657	13mths x 310 median L9
Driver	4,030	4,332	4,657	13mths x 310 median L9
Maintenance	5,746	6,177	6,640	2 staff @ \$221 /monthx13 upper L8
Personal Asst Dep ED Corporate Services	5,850	6,289	6,760	13 mths x 450 - median L10
Personal Asst Dep ED Program Services		6,289	6,760	13 mths x 450 - median L10
Total Locally Recruited Staff Salaries	54,886	65,291	70,188	
Overtime Locally Recruited Staff@ 10%	5,489	6,529	7,019	
Benefits Locally Recruited staff @30%for 2015 increasing to 40% 2016	16,466	26,116	28,075	
TOTAL Locally Recruited Staff	76,840	97,937	105,282	
TOTAL STAFF	542,688	765,846	869,937	
RECRUITMENT COSTS				
Recruitment Costs Locally Recruited Staff	5,000	5,000	5,000	estimated
Recruitment of Nationally Recruited Professional Staff	5,000	5,000	5,000	includes advertising, interviews for Finance & Operations Mgrs
TOTAL Recruitment Costs	10,000	10,000	10,000	
TOTAL Staff and Recruitment	552,688	775,846	879,937	
TRAVEL AND MEETINGS				
Staff Duty Travel and Per Diems	20,000	25,000	30,000	Includes Exec.Staff
SOM/MM Travel and Accomodation grants	30,000	32,250	34,669	Possible SOM MM meeting Nov. 2014 and other meetings - Partner support
Hosted meeting costs	40,000	40,000	40,000	Additional Meeting costs for Secretariat Events X3
Total Travel and Meetings	90,000	97,250	104,669	
TOTAL SECRETARIAT CORE OPERATIONS	822,638	1,059,661	1,203,482	
Total full budget over 3 years	3,085,781			
Average over three years	1,028,594			



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex –7
Decision Document on Session #8:
Handover of CTI-CFF COM Chairmanship

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

14 MAY 2014
MANADO, INDONESIA

Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste

I. Background

The IRS presented a summary of actions and status in relation to the SOM9 decision (*Annex 09a on matters pertaining to Coordination Mechanisms Working Group*) which included the following pertinent actions:

- *Recommend to the CTI-COM that Malaysia shall hold over as CTI-COM Chair until May 2014 when MM5 shall have been convened and PNG shall have assumed the Chair.*
- *Task the IRS to prepare for consideration by the CTI-COM Chair a letter formally requesting PNG to submit to the CTI-COM Chair a written expression of willingness to assume the CTI-COM Chairmanship as provided under the CTI-CFF Rules of Procedure.*

Pursuant to this mandate, the IRS leadership in coordination with NCC Malaysia and some partners and carried out the following actions:

- Conducted a meeting with the CTI-COM Chair to brief him on decision for Malaysia to assume chairmanship of the CTI-COM until the next Ministerial Meeting.
- Reached out to Papua New Guinea to discuss the status of and to offer assistance pertaining to Papua New Guinea's acceptance of handover of CTI-COM Chairmanship from Malaysia

II. Decision

Based on presentations made by the IRS and discussions during the session on *Handover of CTI-COM Chairmanship* at Special SOM, the Senior Officials hereby:

1. Recommend to Council Ministers for the Independent State of Papua New Guinea to be the Chair and the Philippines to be the Vice Chair of the CTI Council of Ministers for the period of two years, from 16 May 2014 to 16 May 2016 and/or such a time when the Ministerial Meeting will be held after 16 May 2014;
2. Task the Interim Regional Secretariat or the permanent Regional Secretariat whichever is operational during the period of incumbency, to assist the CTI-COM Chair to speedily address outstanding issues, priorities and actions.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex 8
Decision Document on Session #9:
Establishment of the Threatened Species
Working Group

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

14 MAY 2014
MANADO, INDONESIA

Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste

I. Background

Over the past few years, the Threatened Species Working Group was subsumed under the MPA Working Group chaired by the Philippines. This arrangement proved to be untenable. As such regional actions and activities identified at the RPW-1 under the goal on Threatened Species have not significantly moved forward. This however does not mean that management and protection activities at the national and local levels were not pursued vigorously. In response to this need, SOM9 came up with the following decision:

- *Endorse the establishment, at the Special SOM/MM5 in May 2014, of a new working group, to be called the “Threatened Species Working Group (TS-WG),” that will immediately assume responsibility for Threatened Species;*
- *Endorse the Philippines to lead the drafting of the ToR of the TS-WG;*
- *Endorse the Threatened Species Roadmap that came out of the RPW-2;*
- *Call on Development Partners to support the implementation of the Threatened Species Roadmap.*

Pursuant to this mandate, the Philippines prepared the ToR (Attachment A of Annex 8) and widely circulated by the Interim Regional for comments and additional inputs.

II. Decision

Based on presentations made by the Philippines and discussions during the session on *Establishment of Threatened Species Working Group* at Special SOM, the Senior Officials hereby:

1. Recommend Council of Minister to approve the establishment of Threatened Species Working Group.
2. Endorse the approval of the Terms of Reference for the Threatened Species Working Group.
3. Endorse the appointment of Malaysia as the Chair effective immediately.
4. Request the countries to nominate and confirm respective focal points as member of the Threatened Species Working Group.

5. Request development partners to confirm with the chair through the Regional Secretariat provision of technical and logistical support to facilitate implementation of Priority Regional Actions identified during the Second Regional Priorities Workshop.
6. Task the newly-appointed Chair of TSWG with support from the Regional Secretariat, to prepare workplan and provide updates in the subsequent SOMs.

DRAFT Terms of Reference

CTI Threatened Species Working Group (TSWG): Structure and Operations

1.0 Background

The Coral Triangle Initiative for Coral Reefs, Fisheries, and Food Security (CTI-CFF) is a unique multilateral partnership to maintain the biological diversity and the ecosystem services provided by marine and coastal resources that are particularly critical to income, livelihoods and food security of coastal communities and to support diversification strategies that build coastal communities resilience to climate change. The five goals are: (1) strengthening management of seascapes; (2) application of ecosystem approach to fisheries management; (3) developing and strengthening the management of marine protected areas; (4) implementing climate change adaptation measures; and (5) protecting threatened marine species. These goals are supported by clear sets of actions and timelines to specifically address regional marine resource conservation and sustainability priorities. The creation of technical working groups to facilitate progress on achieving these goals was approved through the NCCC Resolution, along with a general Terms of Reference for all the TWGs.

CTI ON CORAL REEFS, FISHERIES, AND FOOD SECURITY NATIONAL PLAN OF ACTION GOAL #5 THREATENED SPECIES STATUS IMPROVING

TARGET #1 IMPROVED STATUS OF SHARKS, SEA TURTLES, SEABIRDS, MARINE MAMMALS, CORALS, SEAGRASS, MANGROVES AND OTHER IDENTIFIED THREATENED SPECIES

By 2015, populations of sharks, sea turtles, marine mammals, corals, sea grass, mangroves and other threatened marine species on the IUCN Red List of Threatened Species will no longer be declining, followed by a clear trend towards an improved status by 2020, as key steps for preventing their extinction and supporting healthier overall marine ecosystems.

ACTION 1. Conduct red list assessments of priority marine species in the Philippines under Global Marine Species Assessment (GMSA)

ACTION 2. Endorse and implement the National Plan of Action for the Conservation and Management of Sharks and other Cartilaginous Fishes

ACTION 3. Support the establishment of the National Committee on marine turtles and dugong, and adopt National Plans of Action for the Conservation and Management of Marine Turtles and Dugong (NPOA-MT/D)

ACTION 4. Conduct surveys and monitor seabirds in priority marine key biodiversity areas (mKBAs) in the Philippines

ACTION 5. Support the establishment of the National Red List Committee on cetaceans and adopt a National Plan of Action for the Conservation and Management of Cetaceans

ACTION 6. Conduct stock assessments, evaluate catch trends of commercially important species, and propose management recommendations for over-exploited fish species/populations by BFAR/NFRDI/ NSAP

ACTION 7. Develop a National Plan of Action on Invasive Alien Species (IAS)

2.0 Purpose and Tasks of the TSWG

The RPOA has five Goals, and technical working groups are created to help facilitate progress on achieving these goals were approved at SOM5, along with a general Terms of Reference for all the Working Groups (WGs.)

The primary function of the TSWG, as provided by SOM6, is to provide technical inputs and recommendations to the Regional Secretariat and the National Coordinating Committees of the CT6 in achieving the over-arching goals that have been set forth in the RPOA. Generally as approved by the SOM6, the Working Groups shall:

- convene Working Groups meetings and discussions by creating CT6 team and partner for each theme.
- coordinate and assist identification, compilation, and consultation of thematic issues in CT6.
- assist regional exchange and workshop as public consultation.
- communicate with CT6 focal points, experts, partners, and other groups on specific theme.
- prepare technical and communication material on WG matters to be distributed to regional secretariat and CT countries.
- prepare conservation plan and roadmaps for the implementation of RPOA Goal No. 5.
- gather, review, and update existing management plans on Threatened Species
- provide recommendations to habitat management plans/other working groups
- review the list of threatened species
- encourage the conduct of activities towards the establishment of National Red List committees on specific taxa
- identify priority species
- re-evaluate the targets and actions on goal 5
- mobilize people working on threatened species

Specifically, the TSWG shall also perform the following functions:

- Track and report on the progress on the implementation of the regional priority actions especially pertaining to the Threatened Species goal and targets
- Guide and review progress on other actions in the RPOA as requested by SOM
- Collaborate with the CT Atlas in drawing the relevant map data layers as well as non-spatial attribute data
- Provide inputs and review of the regional State of the Coral Triangle Report especially the chapters relating to the Threatened goal and targets
- Prepare and review the TSWG inputs to the CTI Annual Progress Report

- Assist in the organization and conduct of regional exchanges and workshop as public consultations
- Review and make inputs on funding proposals, reports and other related CTI activities.

3.0 Membership and Structure

- 3.1 Membership. The TSWG shall be composed of at least two representatives from each of the CT6 (Indonesia, Malaysia, Papua New Guinea, Philippines, Solomon Islands and Timor Leste), a representative from the Regional Secretariat and CTI-CFF partners. The NCC of CT6 countries shall designate representatives to the TSWG meetings. An advisory group of technical/experts on different taxa will also be created to provide assistance in the decision-making of the TSWG. However, decision-making shall be lodged with the CT6 members.
- 3.2 Term of the Chair and Vice Chair. The term of the Chair and Vice Chair is two years starting on 01 January of the year, following the confirmation of the SOM. The TSWG will decide the subsequent Chair and Vice Chair.

4.0 Program Planning and Coordination

- 4.1 Regular TSWG meetings. The TSWG shall conduct at least one meeting annually to prepare the annual report and submit to the SOM. The schedule of the meetings will take into consideration planned CTI regional events and SOM / MM meetings. In addition to the annual meeting, conference calls may be arranged among the TSWG focal points to keep the CT6 abreast with the developments on the TSWG work plans and progress towards the overall Threatened Species target across the CT6. The Chair shall inform the WG focal points of the CT6 at least two weeks prior to the date of the conference call and the agenda.
- 4.2 TSWG Annual Work Plan Preparation and Presentation to SOM. In coordination with and support from the CTI-CFF Regional Secretariat, the TSWG shall prepare an annual work plan showing directions and activities leading towards the successful completion of the priority actions set forth by SOM on Threatened Species goal and targets. The TSWG shall encourage the support and participation of the CTI-CFF development partners and other WGs in drawing the TSWG annual work plan.

Resource allocation needed to complete the activities presented in the annual work plan shall be integral in the work plan preparation. The funding sources from within the CT6 governments and development partner organizations will be identified and form part of the presentation of the work plan to SOM.

- 4.3 Collaboration with other WGs. The TSWG shall coordinate and collaborate with other CTI WGs and the Regional Secretariat in the planning and conduct of regional priority actions.

4.4 Collaboration with Technical Experts and Supporting Institutions and Organizations. The TSWG shall invite and duly recognize the technical experts and supporting institutions (e.g. academe and research organizations) as technical advisers to the WG. The Regional Secretariat shall assist the TSWG in putting together a pool of technical advisors which will be called on for specific questions or issues. The specific functions of the technical advisors are:

- To provide technical support in the compilation, review and analysis of data/information and provide decision support regarding issues relating to RPOA Threatened Species goal and targets
- To provide technical support in the preparation of communication messages including press releases, and other information and communication materials
- To provide external, independent advice in the the preparation and/ or review concept notes and or funding applications
- To provide advice in the the preparation of reports of CTI regional activities concerning threatened species
-

4.5 Monitoring and Reporting of Progress. The TSWG shall develop an M&E system and indicators to track and report on progress of the TSWG work plan implementation and the achievement of the Threatened Species goal and targets. The TSWG shall review and provide inputs to the Threatened Species Section of the State of the Coral Triangle Report (SCTR).

5.0 Administrative Support to the TSWG. The administrative support for the WG shall be provided by the country chairing the WG. Coordination with other CT6 countries pertaining to schedules of activities, collaboration with other countries and other related activities should be coordinated with the regional secretariat.

6.0 **Financial Arrangements**

The TSWG will extend assistance in mobilizing financial resources in support to the implementation of the annual work plan as well as in the operations of the WG.

Approved, this ____Day of _____2014 in Manado, Indonesia.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex - 9 Decision Document on Session #10:

Mechanism of Cooperation with Other Organization and Status of Application of Brunei to become a Party to CTI-CFF Agreement

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

**14 MAY 2014
MANADO, INDONESIA**

**Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste**

I. Background

The CTI-CFF Interim Regional Secretariat (IRS) presented the proposed mechanism of cooperation with other regional or international organizations to define the process of engagement. This proposal is pursuant to the task given by SOM9 to the IRS in November 2013 in Manila which includes among others:

- *Task the IRS to define, by 30 April 2014, a detailed Mechanism for Cooperation on fisheries and other shared interests between CTI-CFF and other international inter-governmental bodies (“Mechanism”) like SEAFDEC and FAO;*
- *Task the IRS in consultation with the EAFM WG (or other appropriate working groups) to finalize, in accordance with said Mechanism, the draft MOU between CTI-CFF and SEAFDEC (and FAO) for presentation at SOM10.*
- *Authorize the appropriate CTI-CFF organ to sign appropriate instrument of cooperation as defined in the Mechanism.*

The CTI-CFF Interim Regional Secretariat (IRS) though the CMWG Chair presented the preliminary analysis on Brunei Darussalam’s applications vis-à-vis requirements of Rule 21 (CTI-CFF Rules of Procedure on Admission of New Party.) This analysis is in response to the tasks given by SOM9 to the IRS in November 2013 in Manila which are as follows:

- *Task the IRS to prepare a letter to be issued by the Chair of the CTI-CSO or CTI-COM in response to Brunei Darussalam’s application;*
- *Task the IRS to seek additional information as may be required by Rule 21 of the CTI-CFF Rules of Procedure.*

Task the CMWG to conduct a detailed review and analysis of the application based on the membership criteria provided under Rule 21.

II. Decision

Based on presentations made by the CTI-CFF IRS upon consultation with legal expert (see Attachment A of Annex 9 on Opinion of Legal Expert on Mechanism Cooperation with Other Organizations) and discussions during the session on *Mechanism of cooperation with other organization and Admission of new Party to CTI-CFF* at Special SOM, the Senior Officials hereby:

1. Acknowledge that CTI-CFF Regional Secretariat can establish cooperation arrangements with organizations such as FAO and SEAFDEC who may not wish to become partners through a Memorandum of Understanding (MoU) or other

instrument or arrangement of cooperation because there is no specific format required for such arrangements provided by Agreement of CTI-CFF Regional Secretariat Agreement and other regulations.

2. Acknowledge that the permanent Regional Secretariat, once established, has the legal capacity to enter into such cooperation arrangements on behalf of the Parties of CTI-CFF.
3. Endorse the Regional Secretariat to obtain the authority to enter into such as cooperation arrangement via a resolution of the Committee of Senior Officials and Council of Ministers.
4. Task the IRS in consultation with the EAFM WG (or other appropriate working groups) to finalize, in accordance with above mentioned decisions, the draft MOU between CTI-CFF and SEAFDEC between CTI-CFF and FAO for presentation at SOM10.
5. Endorse a pathway for securing Regional Secretariat to formalize cooperation with the FAO and SEAFDEC as follows:
 - a. The Regional Secretariat finalizes a draft MoU with each organization.
 - b. The MoUs are presented to the next SOM for endorsement and approved by COM through inter-sessional decision making mechanism.
 - c. The permanent Regional Secretariat, through the Executive Director, then signs the MoUs on behalf of the CT6.
6. Agree to give to Brunei Darussalam a status as observer while Brunei Darussalam is in the process of complying with the requirements under Rule 21 of the CTI-CFF Rules of Procedure to become a Party.

Attachment A of Annex 9 Legal Expert Opinion on Mechanism of Cooperation with Other Organization

1. Based on Agreement of CTI-CFF Regional Secretariat Agreement and other regulations, CTI Regional Secretariat can establish cooperation arrangements with organizations such as FAO and SEAFDEC who may not wish to become partners through an MoU or other instrument or arrangement of cooperation because there is no specific format required for such arrangements.
2. The permanent Regional Secretariat, once established, has the legal power to enter into such cooperation arrangements on behalf of the Parties to Agreement of CTI-CFF Regional Secretariat Agreement.
3. The Regional Secretariat can to obtain the authority to enter into such cooperation arrangement via a resolution of the Council of Senior Officials and Council of Ministers.
4. A pathway for securing Regional Secretariat to formalize cooperation with the FAO and SEAFDEC as follows:
 - a. The Regional Secretariat develops a draft MoU with each organization.
 - b. The MoUs are presented to the next SOM and MM meetings for endorsement.
 - c. The permanent Regional Secretariat, through the Executive Director, then signs the MoUs on behalf of the CT6.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex – 10
Decision Document on Session #11:
CTI-CFF Women Leaders' Forum

The CTI-CFF SPECIAL SENIOR OFFICIALS MEETING (Special SOM)

14 MAY 2014
MANADO, INDONESIA

Adopted on 14th May 2014
by the Governments of Indonesia, Malaysia, Papua New Guinea,
The Philippines, Solomon Islands, and Timor-Leste

I. Background

The Preamble of the Convention on Biological Diversity, paragraph 13, recognizes “the vital role that women play in the conservation and sustainable use of biological diversity and affirming the need for the full participation of women at all levels of policy making and implementation for biological diversity conservation.” Threats to the Coral Triangle area, and efforts to address these threats, may impact differently upon men and women. Men and women have different skills and perspectives to contribute in addressing these threats.

Recalling the CTI-CFF Regional Plan of Action Guiding Principles including:

- Principle #1: CTI should support people-centered biodiversity conservation, sustainable development, poverty reduction and equitable benefit sharing; and
- Principle #8: CTI should be inclusive and engage multiple stakeholders

Pursuant to the Guiding Principles, the CTI-CFF Committee of Senior Officials (CSO) on its Ninth Meeting (SOM9) in November 2013 in Manila, Philippines decided and agreed “*to convene a CTI Women Leaders Event (WLE) in 2014 to foster the participation of women in conservation in the CT region*” prompting women stakeholders in CTI to organize a side event at the World Coral Reef Conference in Manado, Indonesia.

II. Decision

Based on presentations made by Women Leaders in CTI-CFF and discussions during the session on *CT Women Leaders Forum* at Special SOM, the Senior Officials hereby:

1. Reaffirm the importance of recognizing the role of women and girls as integral to following CTI-CFF Regional Plan of Action Guiding Principles:
 - a. Principle #1: CTI should support people-centered biodiversity conservation, sustainable development, poverty reduction and equitable benefit sharing; and
 - b. Principle #8: CTI should be inclusive and engage multiple stakeholders
2. Call on the CTI countries to continue to actively engage and incorporate the perspectives of women and girls towards achievement of Regional and National Plan of Action goals and targets.
3. Encourage the CTI bodies and countries to make explicit their engagement with and reflect the role of women and girls as stakeholders in CTI activities and documentation thereof to provide testament and serve as a model of gender integration.

4. Endorse the establishment of CTI-CFF Women Leaders' Forum and expect the materialization of its benefits from integrating the principles of gender equality and diversity in its structures and activities so that the CTI-CFF may act as a vehicle to promote equitable resource management and development.
5. Recognize the initiatives of the CTI-CFF Women Leaders' Forum and agree to:
 - a. Support and encourage stakeholders, CT6 governments and partners to become involved in CTI-CFF Women Leaders' Forum activities
 - b. Consider and integrate gender diversity principles in the development and implementation of its activities
 - c. Include the CTI-CFF Women Leaders' Forum in its annual roadmap of CTI-CFF activities
 - d. Enable the CTI-CFF Women Leaders' Forum to regularly report back on its activities and provide inputs at the CTI-CFF Senior Officials Meeting.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

Annex – 11 Decision Document on Session 12:

Agenda for the 5th Ministerial Meeting (MM-5) and Joint Ministerial Statement

I. Background

SOM9 tasked IRS to *identify specific agenda items that need to be discussed in the run up to MM5 and to continue soliciting feedback from the CT6 to facilitate the refinement of and agreement.*

IRS has also prepared draft Joint Ministerial Statement based agreement made by Senior Officials in its Special SOM.

II. Decision

Based on presentations made by during session on Agenda for the 5th Ministerial Meeting (MM-5) and Joint Ministerial Statement, the Senior Officials hereby:

1. Recommend approval of the Agenda and presenters for the 5th Ministerial Meeting which will be chaired by Chairman of CTI-CFF Council of Ministers from Malaysia as follows:
 - a. Session 1: Opening Session
 - b. Session 2: Progress Report presented by Malaysia.
 - c. Session 3: Review, Endorsement and Agreement on the following :
 - Status of Agreement on Establishment of CTI-CFF Regional Secretariat
 - Regional Secretariat's Executive Director and Resolution on Steps to be undertaken prior to Commencement of Executive Director
 - Regional Secretariat's 2014 and 2015 Operations Plan and Budget
 - Admission of new CTI Partner
 - Chairmanship and Vice-chairmanship of CTI COM for 2014-2016 Period
 - Endorsement and Launching of CTMPAS and EAFM Framework
 - Establishment of Threatened Species Working Group
 - Joint Ministerial Statement
 - d. Dialogue between Partners and CTI-CFF COM
 - e. Closing Remarks
 - f. CTI-CFF Highlights (Product Launching, Signing Ceremony of Joint Ministerial Statement, Handover of CTI COM Chairmanship and Press Conference)
2. Constitute a Drafting Committee represented by member countries and partners and to be convened by the Interim Regional Secretariat, to draft a Joint Ministerial Statement covering the key agreements and outcomes of the Special SOM and the 5th Ministerial Meeting.
3. Recommend to Council of Ministers to adopt draft Joint Ministerial Statement (Attachment A of Annex 11)



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY

MANADO JOINT MINISTERIAL STATEMENT

THE 5th MEETING OF THE CTI- CFF COUNCIL OF MINISTERS

Manado, Indonesia
15 May 2014

Endorsed by
The Governments of Indonesia, Malaysia,

Papua New Guinea, the Philippines, Solomon Islands and Timor-Leste

The 5th Meeting of the CTI-CFF Council of Ministers (MM5) was held in Manado, Indonesia on 15 May 2014. The Meeting was chaired by the Hon. Datuk Dr. Ewon Ebin, Minister of Science, Technology and Innovation, Malaysia, and attended by H.E. Sharif Cicip Sutardjo, Minister of Marine Affairs and Fisheries, Indonesia; Mr. Gunther Joku, Secretary, Department of Environment and Conservation for Hon. John Pundari, MP, the Minister of Environment and Conservation and Climate Change, Papua New Guinea; Mr. Manuel D. Gerochi, Undersecretary for Policy, Planning and Foreign-Assisted Programs for Hon. Ramon Jesus Paje, Secretary of the Department of Environment and Natural Resources, Republic of the Philippines; Hon. Bradley Tovosia, Minister of Environment, Climate Change, Disaster Management and Meteorology, Solomon Islands; H.E. Mariano ASSANAMI Sabino, Minister of Agriculture and Fisheries, Democratic Republic of Timor-Leste; and H.E. Pehin Dato Yahya, Minister of Industry and Primary Resources, Brunei Darussalam and representatives of CTI Partners namely: the government of Australia, the government of the United States of America (USA), Asian Development Bank (ADB), Conservation International (CI), the Nature Conservancy (TNC), World Wide Fund for Nature (WWF), Global Environment Facility (GEF) and the Coral Triangle Center (CTC).

Recalling the Coral Triangle Initiative Leaders' Declaration on Coral Reefs, Fisheries and Food Security signed in Manado, Indonesia on the 15th of May 2009 that provides meaningful basis for sustainable coral reef management and advancing ocean issues, as well as other international and/or regional instruments related to the management of ocean and marine biodiversity;

Reemphasizing the degradation of the marine environment, in particular the loss of marine biodiversity and marine ecosystem continuing to be threatened by marine and land-based activities, anthropogenic activities, destructive fishing practices, and climate change;

Recognising the role of science, technology and innovation as the vital instrument for sustainable and inclusive economic growth particularly in the coastal and marine areas,

WE, THE MINISTERS HEREBY:

1. **Accept** the Chairman's Summary of the 9th Senior Officials Meeting (SOM9) and the Second Special Senior Officials Meeting (Annexes 1 and 2);
2. **Appreciate** the ratification made by Malaysia, Indonesia, Timor Leste and Solomon Islands and the progress made by the Philippines and Papua New Guinea in signing the Agreement on the Establishment of the Regional Secretariat of the CTI-CFF;
3. **Approve** the resolution authorizing the Interim Regional Secretariat to setup necessary administrative arrangements and prepare financial management systems to facilitate the seamless transition process prior to the commencement of the Executive Director (Annex 3);
4. **Approve** the 2014 and 2015 Operations Plan and Budget of the Regional Secretariat of CTI-CFF (Annex 4);
5. **Appreciate** the excellent leadership of Malaysia and Papua New Guinea as the Chair and Vice Chair of the CTI Council of Ministers from 19 November 2011 to 15 May 2014;
6. **Elect** Papua New Guinea as the Chair and the Philippines as the Vice Chair of the CTI Council of Ministers for the period of two years, from 16 May 2014 to 16 May 2016 and/or such a time when the Ministerial Meeting will be held after 16 May 2016;
7. **Agree** to apply the Ecosystem Approach to Fisheries Management (EAFM) Regional Framework and the Coral Triangle Marine Protected Areas System (CTMPAS) in our respective national policies as may be appropriate;
8. **Approve** the establishment of the Threatened Species Working Group and its Terms of Reference to be chaired by Malaysia;

9. **Recognize** the initiatives and progress made by the CTI Women Leaders Forum;
10. **Appreciate** the ongoing support of CTI-CFF Partners and welcome their further cooperation to mobilize resources and knowledge inputs;
11. **Reaffirm** observer status of Brunei Darussalam while it is in the process of complying with the requirements as Party to CTI-CFF;
12. **Approve** the Coral Triangle Center (CTC) as a CTI-CFF Partner.
13. **Task** the Committee of Senior Officials (CSO) to further explore new parties, new partners and cooperation arrangements between CTI-CFF and other international organizations.
14. **Appreciate** the commendable work of the CTI-CFF Interim Regional Secretariat;
15. **Convey** utmost gratitude of the Coral Triangle countries to the people of Manado and the government of the Province of the North Sulawesi, Indonesia for its vital contribution in hosting the CTI-CFF Center;
16. **Express** our appreciation and thanks to the Government, and the people of Indonesia for hosting the Special Senior Officials Meeting and the 5th Ministerial Meeting;
17. **Express** appreciation to the President of the Republic of Indonesia Dr. Susilo Bambang Yudhoyono for his exemplary leadership and vision and;
18. **Express** appreciation to the Chair of the CTI COM from November 2011 to May 2014, Datuk Dr. Ewon Ebin, Minister of Science, Technology and Innovation, Malaysia

Signed on 15 May 2014 in Manado, Indonesia by:

Government
of the Republic of Indonesia

H.E. Sharif C. Sutardjo
Minister of Marine Affairs and Fisheries

Government of Malaysia

Hon. Datuk Dr. Ewon Ebin
Minister of Science, Technology and Innovation

Government of the Independent
State of Papua New Guinea

Mr. Gunther Joku
Secretary, Department of Environment and
Conservation for Hon. John Pundari, MP,
Minister of Environment and Conservation and
Climate Change

Government of
the Republic of the Philippines

Mr. Manuel D. Gerochi
Undersecretary for Policy, Planning and
Foreign-Assisted Programs for Hon. Ramon
Jesus Paje, Secretary of the Department of
Environment and Natural Resources

Government of Solomon Islands

Hon. Bradley Tovosia
Minister of Environment, Climate Change,
Disaster Management & Meteorology

Government of the Democratic
Republic of Timor-Leste

H.E. Mariano ASSANAMI Sabino
Minister of Agriculture and Fisheries



**CORAL TRIANGLE
INITIATIVE**
ON CORAL REEFS, FISHERIES AND FOOD SECURITY



CERTIFICATE OF APPRECIATION

TO

His Excellency Dr. Susilo Bambang Yudhoyono
President of the Republic of Indonesia

for His exemplary leadership and vision that inspired the establishment of the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) that continues to move the Six Member States to build on their individual and collective strengths to ensure the sustainable development of the globally important Coral Triangle region.

Manado, Indonesia, 15 May 2014

On behalf of the Governments of the Member-States of CTI-CFF:

H.E. Sharif C. Sutardjo

Minister of Marine Affairs and Fisheries
of the Republic of Indonesia

Hon. Datuk Dr. Ewon Ebin

Minister of Science, Technology and Innovation
of Malaysia

Mr. Gunther Joku

Secretary, Departement of Environment and
Conservation for Hon. John Pundari, MP,
Minister of Environment and Conservation and
Climate Change of the Independent State of
Papua New Guinea

Mr. Manuel D. Gerochi

Undersecretary for Policy, Planning and
Foreign-Assisted Program for Hon. Ramon
Jesus Paje, Secretary of the Departement of
Environment and Natural Resources of the
Republic of the Philippines

Hon. Bradley Tovosia

Minister of Environment, Climate Change,
Disaster management and Meteorology of
Solomon Islands

H.E. Mario ASSANAMI Sabino

Minister of Agriculture and Fisheries
of Timor Leste



**CORAL TRIANGLE
INITIATIVE**
ON CORAL REEFS, FISHERIES AND FOOD SECURITY



We, the Ministers of the Member States of the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF), hereby present this

CERTIFICATE OF APPRECIATION

TO

Hon. Datuk Dr. Ewon Ebin

**The Minister of Science, Technology and Innovation
of Malaysia**

For His exemplary leadership as Chair of the CTI-CFF Council of Ministers for the period of 2011-2014 during which the CTI-CFF achieved tremendous progress towards the development of the CTI-CFF institutions and advancement of its goals.

We greatly appreciate His stewardship and particularly commend His efforts in supporting the establishment the CTI-CFF Regional Secretariat which provided the foundation for CTI-CFF's long-term success as a partnership of nations committed to managing the Coral Triangle region.

Manado, Indonesia, 15 May 2014

H.E. Sharif C. Sutardjo

Minister of Marine Affairs and Fisheries
of the Republic of Indonesia

Mr. Gunther Joku

Secretary, Department of Environment and
Conservation for Hon. John Pundari, MP,
Minister of Environment and Conservation and
Climate Change of the Independent State of
Papua New Guinea

Mr. Manuel D. Gerochi

Undersecretary for Policy, Planning and
Foreign-Assisted Program for Hon. Ramon
Jesus Paje, Secretary of the Department of
Environment and Natural Resources of the
Republic of the Philippines

Hon. Bradley Tovosia

Minister of of Environment, Climate Change,
Disaster management and Meteorology
of Solomon Islands

H.E. Mario ASSANAMI Sabino

Minister of Agriculture and Fisheries
of Timor Leste



**CORAL TRIANGLE
INITIATIVE**
ON CORAL REEFS, FISHERIES AND FOOD SECURITY



We, the Ministers of the Member States of the Coral Triangle Initiative on Coral Reefs,
Fisheries and Food Security (CTI-CFF), hereby present this

CERTIFICATE OF APPRECIATION

TO

Mr. Freddy Numberi

for His pioneering efforts in steering the processes to establish the CTI-CFF and formulate the Regional Plan of Actions. His steadfast vision, invaluable guidance and unwavering support have strengthened the commitment of the Coral Triangle countries to work together to sustain and manage the region's coastal and marine resources, ensuring the long term success of the CTI-CFF.

Manado, 15 May 2014

H.E. Sharif C. Sutardjo

Minister of Marine Affairs and Fisheries
of the Republic of Indonesia

Hon. Datuk Dr. Ewon Ebin

Minister of Science, Technology and Innovation
of Malaysia

Mr. Gunther Joku

Secretary, Departement of Environment and
Conservation for Hon. John Pundari, MP,
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Minister of Environment, Climate Change,
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Solomon Islands

H.E. Mario ASSANAMI Sabino

Minister of Agriculture and Fisheries
of Timor Leste