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## **MCA-Vanuatu Steering Committee Meeting Minutes**

Type of Meeting: Regular Steering Committee

2:32pm, 21<sup>st</sup> August 2008

Director General,  
Ministry of the Prime Minister's Conference Room

### **Board Members:**

#### ***Present:***

Simeon Athy	Chairman	Director-General Prime Ministers Office
Gregoire Nimbtik	Member	Director of Strategic Management
George Maniuri	Member	Director General Ministry of Finance & Economic Management
Michael Busai	Member	Acting Director, DESP
Russel Nari	Member	Director General Ministry of Lands, Natural Resources

#### ***MCA Vanuatu Program Management:***

Catherine Malosu	Environment & Social Impact Officer
Dolsie Amos Kalo	Administrative Personnel
Alexine Charlie	Fiscal Agent Development Accountant

#### ***MCC Representative:***

Chuck Sethness	MCC Country Resident Director
Chris Cookson	MCC Deputy Country Resident Director

#### ***Absent:***

Betty Toa	Member	Director Department of Finance
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#### ***Apologies:***

Wilson Vuti	Member	Director General, Ministry of Infrastructure Public Utilities
John Aruhuri	Member	General Manager Chamber of Commerce
Director	Member	Department of Public Works
Simil Johnson	Member	Principal Statistician
Henry Vira	Member	Secretary General, Vanuatu Non Government Org.

***Quorum present?***      **No**

The meeting was not quorate with agreement to go ahead with approvals through flying minutes of all members.

*Person Acting as Chairman:* Director General, Office of the Prime Minister

*Person Acting as Secretary:* MCA Program Management

### **Proceedings:**

The meeting called to order at 2.32 pm by Director General of the Prime Minister's Office who is also the Chairman of the MCA Vanuatu Steering Committee

### **Welcome and Introduction by Chairman**

#### Agenda Items

- 1) **Discussion and Approval of the following Environment and Social Assessment documents.**
  - a) **Environmental and Social Assessment Report for Efate Ring Road**
  - b) **Environmental and Management Plan for the Efate Ring Road**
  - c) **Resettlement Action Plan for the 1<sup>st</sup> 4km of the Efate Ring Road**
  - d) **Consultation Plan**
- 2) **Establishment of Downer EDI Works Ltd Local Subsidiary Body**
  - a) **Deed of Assignment of Contract**
  - b) **Parent Guarantee**
- 3) **Fiscal Accountability Plan**
- 4) **Progress on MCA Vanuatu Audit**
  - a) **MCA Vanuatu Audit Plan**
  - b) **Final Audit Report – June – Dec 2007**
  - c) **Audit Observation and Findings – June-Dec 2007**
- 5) **Other matters**
  - a) **Program Director**

#### **A: Approval of Agenda**

Agenda approved unanimously with amendments to other matters add on,

Members agreed to discuss Agenda without quorum subject to flying minutes to be issued to members for approval.

#### **1) Discussion and Approval of the following Environment and Social Assessment documents.**

##### **a. Environmental and Management Plan for the Efate Ring Road**

The Chairman requested MCA Environment and Social Impact officer to present the above agenda. Catherine mentioned the Environmental and Social Assessment Report (ESA) for Efate is a Condition Precedent to constructions of road project.

The Environmental and Management Plan for Efate from pages 46-54 is also a condition precedent to the road construction. The Supervisory Unit at the PWD will be responsible to monitor the construction against Environment plan.

##### **b. Resettlement Action Plan (RAP)for the 1<sup>st</sup> 4km of the Efate Ring Road**

The Environmental and Social Impact officer mentioned this is a small scale resettlement plan, includes goodwill entitlements replaced compensation, in some areas goodwill is in exchange of fruit trees by the Department of Agriculture. MCA, SHEFA, PWD ESU, and DOWNER are working very closely to do consultations with the communities.

##### **c. Consultation Plan**

Consultations have been done by MCA, Downer, PWD ESU, MCC to communities. A good means of communication to affected areas. The ESI officer mentioned it has been a while since MCA has done consultation. The consultation plan is also a condition precedent to the construction of road. The ESI officer also mentioned the Public Relations officer Chief Mormor is also a plus to the team. Though his official contract has not been signed yet, he has helped to alleviate issues between MCA, Downer and communities.

The program management recommends the SC approve the ESA Report, EMP, RAP for the 1<sup>st</sup> 4km of the Efate Ring Road before obtaining clearances through the Environmental Unit and MCC. Approval to be done before the Barge landing on the 27<sup>th</sup> August 2008

The Chairman mentioned a very good report given by the Program Management, MCC complimented ESI officer and Mandy Fitchett on these reports.

The Director General to the Ministry of Finance & Economic Management moved to accept ESA Report, EMP RAP and the Consultation plan for the Efate Ring road project. Director General to the Ministry of Lands seconded while all members agreed unanimously.

## **2) Establishment of Downer EDI Works Ltd Local Subsidiary Body - Deed of Assignment of Contract and Parent Guarantee**

Downer EDI Works Ltd plans to set up a local subsidiary body in Vila for all their operations. A deed of assignment of Contract and Parent Guarantee was submitted to MCA Program Management. The Program Management seeks the Steering Committee's approval on these documents.

MCC Country Representative requested the Steering Committee to approve the documents as they are important to Downer EDI for book keeping purposes. MCC Vanuatu legal counsel Ridgeway Blake has seen the contract and the guarantee. Any queries from the Steering Committee should be forwarded to Ridgeway Blake.

The members suggested this agreement be sent to Vanuatu Government State Law office for legal advice. The Steering Committee approved in principal subject to State Law's legal advice. The Chairman suggested MCC In-country Representative email him the principals and intentions of the contract, this will then be forwarded to Vanuatu Government State Law office.

The Director of Strategic Management moved in agreement while the Director General of the Ministry of Lands Seconded and all members unanimously agreed.

## **3) Fiscal Accountability Plan**

The program Management brought to the Steering Committee meeting to approve the revised Fiscal Accountability Plan. Changes were made to the method of payment. All MCC Countries have adopted the CPS system. Payments to the Vendors or Contractors are wired internationally by the US Treasurer direct to the Vendors or the Contractor.

The chairman suggested for Director General to the Ministry of Finance & Economic Management to talk with Director of Finance and the Reserve Bank to see if this has any economic impacts or implications and report back to the next Steering committee Meeting.

## **4) Progress on MCA Vanuatu Audit**

### **a. MCA Vanuatu Audit Plan**

BDO is the only ICB Company certified by OIG (Office of Inspector General) to carry out MCA Vanuatu Audit. BDO's contract option period from June – Dec 2007, Jan – June 2008 has elapsed. The program Management recommended that the Steering Committee approved the amended contract with BDO for the next option period.

Director General to the Ministry of Lands moved to approved for the Program Management to negotiate with BDO for the next option period. While the Director General to the Ministry of Finance & Economic Management Seconded. All members agreed.

**b. Final Audit Report – June – Dec 2007**

The program Management presented to the Steering Committee the final Audit Report for the option period June – December 2007.

**c. Audit Observation and Findings – June-Dec 2007**

All outstanding audit findings and observations has been settled and fixed with the Program Management. An Insurance certificate on program assets letter has been signed by the Minister of Finance and yet to be forwarded to MCC. The SC also agreed that the Audit Reports be forwarded to the Minister of Finance for presentation to the Council of Ministers.

The Steering Committee noted the receipt of the BDO Audit report.

**5) Other matters**

**a) Acting Program Director**

The Acting Program Director has tendered his resignation on a 30 working days notice to the Chairman of the Steering Committee. MCC has agreed to facilitate the advertisement of both position of Infrastructure Analyst and the Program Director and the Program Management is to be billed for these adverts.

The outgoing Acting Program Director has accepted his over to the position of the Director of Public Works Department. The Steering Committee has agreed for Allen Faerua to be appointed to PWD and oversee the MCA Program Management while MCC and MCA process the recruitment of the position.

The Steering Committee agreed to Director of the Strategic Management talk with the Director General to the Ministry of Public Works to write a letter to Allen Faerua on his secondment to MCA Program Management. A three months Secondment while the applications are being processed.

**b) Environmental & Social Assessment officer**

ESA officer at the Engineer Support Unit (ESU) at the Public Works Department is yet to be advertised by Public Service Commission. The chairman proposed he will send a reminder email to the Director General of Ministry of the Public Utilities to work on this.

**c) Procurement of PWD Equipment**

The status of this procurement is yet to be finalized. The chairman recommends the PMU follow up with the out going Acting Program Director of MCA Program Management. Allen Faerua

The meeting was closed in agreement that the flying minutes be issued by the program management for the approval of ESA, EMP, RAP Reports for Efate Ring road.

The MCA Vanuatu Steering Committee meeting officially closed at 4.40pm

**Certified by:** \_\_\_\_\_ /S/  
**Secretary, MCA-Vanuatu**

**Acknowledged by:** \_\_\_\_\_ /S/  
**Chair of the Steering Committee**