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

Type of Meeting: Regular Steering Committee

9:00am, 27<sup>th</sup> November 2008

Millennium Challenge Cooperation Conference Room  
VNPF Building

### **Board Members:**

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

Simeon Athy	Chairman	Director-General Prime Ministers Office
Gregoire Nimbtk	Member	Director of Strategic Management
George Maniuri	Member	Director General Ministry of Finance & Economic Management
Wilson Vuti	Member	Director General, Ministry of Public Utilities
Betty Toa	Member	Acting Director, Department of Finance
Allen Faerua	Member	Director of Public Works
Victor Rory	Member	Head of Development Unit, PMO

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

Tony Sewen	Acting Director & Economist
Catherine Malosu	Environment & Social Impact Officer
Dolsie Amos Kalo	Administrative Personnel

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

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

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

Henry Vira	Member	Secretary General, Vanuatu Non Government Org.
John Aruhuri	Member	General Manager Chamber of Commerce
Michael Busai	Member	A/c Director, Economic Research Analysis Expenditure Unit
Simil Johnson	Member	Government Statistician

#### ***Apologies:***

Russel Nari	Member	Director General, Ministry of Lands & Natural Resources
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***Quorum present?*** No

The meeting was not quorate, Non government and private sector representatives were both absent. The Chairman proposed in agreement with members for the meeting to go ahead with approvals through

flying minutes to be issued, for members especially the Non Government agencies, VCCI & VANGO to approve.

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

**Person Acting as Secretary:** Acting Director, MCA Program Management

### **Proceedings:**

The meeting called to order at 9:00am by Director General of the Prime Minister's Office who is also the Chairman of the MCA Vanuatu Steering Committee

Opening Prayer by Director of Strategic Management

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

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

The SC Meeting Agenda was approved unanimously however it was agreed that members discuss item 3 before going back to Agenda 1 & 2 referring to MCC's email of November 25<sup>th</sup> 2008. Members agreed to discuss Agenda subject to flying minutes to be issued to members for approval.

- 1) Discussion of MCC Decision to Restructure MCA and Governance Structure**
- 2) SC Approval and Delegations for Interim and final arrangements**
- 3) SC Approvals and delegations on outstanding and urgent matters**

#### **3) ESA Consultant Contract**

The ESA consultant has been working without a contract due to delay in procurement and approvals processes. A flying minute was issued on the October 26<sup>th</sup> with much hesitation from the SC members. This approval was delayed. MCC made clarifications and justifications on this procurement before members had approved the flying minute of October 26<sup>th</sup>, 2008.

#### **Approval of Resettlement Action Plan (RAP)**

The Efate Ring Road (RAP) report had been available during the SC meeting for Members perusal and has been emailed to members. MCA Vanuatu seeks the Steering Committee approval on this report before MCC no objection and QCPP and Downer EDI Works compliance.

The SC approved this report unanimously moved by Director of Strategic Management and Seconded by Director General Ministry of Public Utilities & Infrastructures.

#### **Evaluation Report for PWD Equipment Lot 2, 5, 9**

The SC approved the Report for Procurement of PWD Equipment Lot 2, 5, & 9 noting that the procurement will not proceed until PWD provides reports required in the Implementing Entity Agreement and Service Performance Agreement. This includes Condition precedent ESI officer to be recruited and cleared for MCC no objection. PWD to document the recruitment process.

The Director of Public Works Department reported to the SC meeting; required reports are in the process, it was delayed due to template differences between PWD and MCC reporting templates. ESI officer has been recruited and will provide documentations to MCC for no objections. Director General Ministry of Finance & Economic Management moved to accept the decision made while Director of PWD Seconded.

#### **Extended Contract for MCA Engineer**

The Acting Director reported to the SC meeting, Cyrille Mainguy has been contracted for 9 weeks, his contract has elapsed this week. He has consulted Cyrille on the possibility of extending his contract while pending the Steering Committee and MCC decisions.

The SC unanimously approved the extension of the contract and mandate the Acting Director to speak with Cyrille for extension of his Contract and negotiate a price with him.

### **Clearance of Recruitment/payment of Custom VAT Officers**

The two Custom officers were recruited and documentations needed to be submitted to MCC for clearances. The Steering Committee meeting agreed for MCA Vanuatu to work with Customs HRO to provide CVs and Evaluation report to MCC for no objection on these recruitments.

### **Procurement of Financial Auditor**

The Acting Program Director reported to the SC meeting, GAO has approved all Reports. BDO has proved itself competent. BDO has been approached to re-tender (sole source). The Contract is for six (6) Option Period, a contract period until end of Compact. The Contract Price is USD \$192,000 which is below the allocated budget of USD \$201,000. The SC meeting was required to approve the Technical Evaluation Report of this procurement. Acting Dir proposed to award the Financial Audit Contract to BDO.

Director General to the Ministry of Finance & Economic Management moved to accept the Technical Evaluation of the procurement of Financial Auditor. While the Head of Cooperation Unit, Ministry of Foreign Affairs Department Seconded.

### **4) Annual Supplemental Report**

The Acting Director MCA briefed the Annual Supplemental Report to the SC meeting, mentioning changes necessary to reword '*terminate*' pg 5 to '*mutual agreement between MCA and Maunsell Ltd to end Contract*'. SC meeting took note of the changes outlined, Moved by Director General to Ministry of Finance & Economic Management, Seconded by Director of Strategic Management.

### **5) Report of use of Government of Vanuatu 2008 Road Maintenance Funds**

MCC requested to the Steering Committee member and Director of PWD to provide a report on the Maintenance budget allocated for 2008. Report to be issued to them as an evidence of the utilization of the maintenance budget as per Compact agreements. The Director of PWD responded by saying PWD has many priorities and will make sure to provide these reports in the mean time working in collaboration with the Fiscal to provide Data's on the PWD spendings.

The Director PWD also mentioned their Department has a working program. Santo Road ownership will be handed over to Downer shortly and will also provide their services as agreed on all agreements (IEA, SPA). He also mentioned the allocated Maintenance Budget will be maintained. The SC took note of MCC giving to many requirements by PWD.

### **5) Efate Ring Road Proposed Realignment:**

#### **a) Undine Bay**

MCC mentioned they will not spend any funds on these realigned roads unless an Independent Environment Audit has been carried out. This is to ensure the development is compliant and has been monitored against approved plans.

MCC also mentioned the SC is required to respond to the (MCC) letter regarding this realignment issue. The Steering Committee instructs MCA Vanuatu to establish an Independent Audit for the Undine development. It was decided that to avoid any cost implications it would be better to use the

existing contracts particularly of QCPP. MCA will ask the Environmental specialist from QCPP to contact the Environment Audit of the development.

The SC took note of this discussion and agrees for Environment Audit to be done while MCC provides the TOR. The Director of Strategic Management moved to engage the services of QCPP as the Independent Environment Auditors and Seconded by Head of Development Cooperation.

**b) Havannah Harbour**

MCA Acting Director mentioned to the SC this is also a realignment issue, though there are no formal correspondences with MCA. It is also brought to member's attention, PWD is discussing the proposal. The members took note of this and remind PWD to eliminate discussions on this as this may not be compliant. The SC requested MCA Vanuatu to provide a national notice on Government Right of Way and will not entertain any other realignment issues. MCA will instruct QCPP & Downer to follow the existing road realignment.

**6) Santo East Coast Road Proposed Realignments**

With road work proposed to commence in April, at least one potential realignment has been identified. SC to issue a public notice setting the end of December 2008 as the last date for receipt of proposals by PWD on possible realignments on Santo road project. A notice of the notice to be copied to the Ministers and Ministries concerned.

The SC decision was moved by the Acting Director of Finance, Seconded by DG Ministry of Public Utilities.

**7) Right of Way Clearance**

The Steering Committee is made aware that the current works will only take place on the 13m within the Government ROW as the full 15m ROW may cause more work on RAP. Therefore it is necessary that any PWD work is done within the 13m to avoid extra RAP effort. The SC take note of this and advice PWD Director accordingly.

**8) Funding of relocation of utilities**

MCC stressed the importance of written agreements needed to be made regarding Efate & Santo relocation of Utilities. MCA & MCC is required to have agreements set before works began. The SC requested the Acting Director Program management to seek written confirmation that the relocation of these utilities will be paid by Utility companies (Unelco) or the Government of Vanuatu.

The Director General to the Ministry of Public Utilities & Infrastructures Moved and Seconded by the Director of Strategic Management.

**9) Service ducts in various locations**

MCA brought to Steering Committee's attention on this matter. QCPP has requested Downer EDI works to provide a quote for a variation to install service ducts in various village locations. This is to ensure and avoid improved road being dug up for new services in the future. A proposal is requested by end of November.

The Steering Committee took note of this development and agreed in principle supporting the proposal.

**10) Implementing Entity Agreement with SANMA Provincial Council**

The Acting Director MCA proposed to the SC Meeting, an IEA is needed between MCA & SANMA Provincial Council. This is to provide cost effective assistance with ESA and RAP processes. The SC requested PWD ESI officer to work with the MCC-V office to draft an IEA with SANMA Province.

The Head of Development Cooperation Moved to engage these two parties ESI Officer and MCC to draft an IEA for next SC meeting.

**11) MCC proposal to hire International Program Director to Manage MCA Vanuatu**

The SC agreed to reconvene another SC meeting to discuss this MCC proposal while currently carry on the PD recruitment process.

**12) MCA Vanuatu Staff Bonus issue**

MCA Vanuatu Staff were asked to leave the meeting, while discussions were made. In agreement that decision will be communicated to the MCA Vanuatu Staff shortly

The meeting was closed leaving agendas below for next SC meeting to be convene on Monday 1st of December 9am at MCC Office

**Agendas proposed by MCC to be continue on the next SC meeting:**

**Discussion of MCC Decision to restructure MCA Management & Governance agreements.**

- 11) International Program Director – Proposed by MCC**
- 12) Restructuring of Governance Agreement**
- 13) Amended Charter to be recommended to the Council of Ministers**
- 14) Disbursement Request for Jan – March due 10<sup>th</sup> December 2008**
- 15) Staff Vacancy for Program Officer**

The meeting was closed in agreement that the flying minutes be issued by the program management for the approval of all Steering Committee members, especially the Non Government and Private Sector

The MCA Vanuatu Steering Committee meeting officially closed 2.15pm by a prayer.

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

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