



---

## STANDING COMMITTEE ON PUBLIC ACCOUNTS

### **Review on the COP 23 Presidency Trust Fund: First Semi Annual Report for the period of May 2017 – October 2017**



**PARLIAMENT OF THE REPUBLIC OF FIJI  
Parliamentary Paper No.100 of 2018**

*May, 2019*

---

*Published and Printed by the Department of Legislature, Parliament House, SUVA*

# TABLE OF CONTENTS

CHAIRPERSONS FOREWORD .....	3
LIST OF ACRONYMS .....	4
<b>RECOMMENDATION .....</b>	<b>5</b>
INTRODUCTION .....	5
Committee Procedure .....	5
Committee Members .....	6
<b>CHAPTER 1 - BACKGROUND .....</b>	<b>7</b>
<b>CHAPTER 2 - COP 23 PRESIDENCY TRUST FUND: FIRST SEMI ANNUAL REPORT .....</b>	<b>8</b>
<b>CHAPTER 3 - COP23 PRESIDENCY TRUST FUND ACCOUNT: STATEMENT OF RECIEPTS &amp; PAYMENTS FOR THE PERIOD ENDING 31 OCTOBER 2017 .....</b>	<b>10</b>
Conclusion.....	13
Appendices.....	14

## CHAIRPERSON'S FOREWORD

I am pleased to present the review report on the COP23 Presidency Trust Fund: First Semi Annual Report for the period May 2017 to October 2017. This is my second (2) report as Chairperson of the Standing Committee on Public Accounts.

The Parliament of the Republic of Fiji's authority pursuant to Standing Orders 110 (1) (c) and as directed by the Speaker of the House for the Standing Committee on Public Accounts is to examine and thereafter submit the findings to Parliament of the COP23 Presidency Trust Fund: First Semi Annual Report.

This report has been majority contributed by the previous Public Accounts Standing Committee and reviewed and endorsed by the current Public Accounts Committee. The report was thoroughly examined by the present Committee in accordance with the directives of the Speaker of Parliament on Wednesday 13<sup>th</sup> February, 2019<sup>1</sup>.

The COP23 Secretariat was invited to explain to the bipartisan Committee, a few grey areas that needed to be made clear to the Committee. The responses from the COP 23 Secretariat were exceptionally positive. The exercise of reviewing of the First-Semi Annual Report was a learning experience for Standing Committee members as this was the first of its kind to be presented.

The documents were compiled and agreed to by the Committee following the review of the Annual Reports.

The financial statements reflected in this First-Semi Annual Report is an unaudited statement of receipts and payments which are presented in accordance with the COP 23 Presidency Trust Fund Act 2017 and section 58 (4) of the Finance Instructions 2010 of the Republic of Fiji issued under the Financial Management Act 2004. This is the first six monthly account of the Fund since its commencement.

The Committee wishes to acknowledge the members of the previous Public Accounts Committee for their tremendous effort. I also wish to extend my appreciation to all the Honourable Members of the Committee who were part of the successful compilation of the bipartisan report namely the Hon. Joseph Nitya Nand, Hon. Vijendra Prakash, Hon. Aseri Radrodro, and Hon. Ratu Naiqama Lalabalavu.

On behalf of the Committee I also extend my appreciation to the Secretariat Staff, namely Ms. Priya Chand, Mr. Mateo Lagimiri and Mr. Savenaca Koro for their dedication and commitment.

I commend this report to the Parliament.



.....

**Hon. Alvick Maharaj**  
**Chairperson**

---

<sup>1</sup> Hansard Report dated Wednesday 13 February 2019, p 426.

## LIST OF ACRONYMS

COP 23	-	23 <sup>rd</sup> Conference of Parties
KPMG	-	Klynveld Peat Marwick Goerdeler.
MoE	-	Ministry of Economy
PSE	-	Permanent Secretary Economy
PwC	-	PricewaterhouseCoopers
UNFCCC	-	United National Framework Convention on Climate Change

## **RECOMMENDATION:**

The Standing Committee on Public Accounts has conducted a review of the COP 23 Presidency Trust Fund: First Semi Annual Report for the period of May 2017 – October 2017 and recommends that Parliament take note of its report.

## **1.0 INTRODUCTION**

The COP23 Presidency Trust Fund: First Semi Annual Report was tabled in Parliament during the May 2018 Parliament Sitting and referred to the Standing Committee on Public Accounts, for its scrutiny.

Standing Orders 109(2) (d) allows Standing Committee on Public Accounts to examine the accounts of the Government of the Republic of Fiji in respect of each financial year and reports of the Auditor-General, and for any other matter relating to the expenditures of the Government of the Republic of Fiji or any related body or activity (whether directly or indirectly) that the committee sees fit to review.

Standing Orders 110(1)(c) authorises the Standing Committee to *scrutinise the government departments with responsibility within the committee's subject area, including by investigating, inquiring into, and making recommendations relating to any aspect of such a department's administration, legislation or proposed legislative program, budget, rationalisation, restructuring, functioning, organisation, structure and policy formulation.*

## **1.1 COMMITTEE PROCEDURE**

We met on the 20<sup>th</sup> of June 2018 to conduct a review of the COP23 Presidency Trust Fund: First Semi Annual Report for the period May 2017 to October 2018. We heard evidence from the COP 23 Presidency Secretariat which was represented by the following officials:

- Mr John Connor, Executive Director COP 23 Presidency Secretariat
- Ms Tracy Wong, Deputy Solicitor General
- Mr Vinay Krishna, Senior Accountant (Ministry of Economy)

## **1.2 COMMITTEE MEMBERS**

The substantive members of the Standing Committee on Public Accounts are:

- Hon. Alvick Maharaj (Chairperson)
- Hon. Jospeh Nand (Deputy Chairperson)
- Hon. Vijendra Prakash (Member)
- Hon. Aseri Radrodoro (Member)
- Hon. Ratu Naiqama Lalabalavu (Member)

The previous substantive members of the Standing Committee on Public Accounts in the 2014 - 2018 Parliament Term were:

- Hon. Ashneel Sudhakar (Chairperson)
- Hon. Mohammed Dean (Deputy Chairperson)
- Hon. Alexander O'Connor (Member)
- Hon. Aseri Radrodro (Member)
- Hon. Ratu Naiqama Lalabalavu (Member)

## **CHAPTER ONE - BACKGROUND**

The Standing Committee noted that pursuant to section 8(1) of the COP23 Presidency Trust Fund Act 2017, the Ministry responsible for finance must prepare a report every six (6) months on the activities and expenditure of the COP 23 Presidency Trust Fund, including financial statements for the Fund, and submit the report to Cabinet within six (6) months from the end of the six-month period to which the report relates.

The COP 23 Presidency Secretariat was established in March 2017 to oversee and manage the operations of the Fund. Utilisation of the Fund for procurement is in accordance with the Procurement Regulations 2010. Further, a Financial Policy Guideline consistent with the Financial Management Act 2004 and Finance Instructions 2010 has been developed for the Fund. The Ministry of Economy (MoE) also assisted with the accounting function of the Fund.

In addition, COP 23 Presidency partner KPMG assisted with seconding of a Senior Accountant Personnel to the Fund who was engaged as the Manager Finance for the Secretariat for a reduced fee for a six (6) month period commencing from 31 July 2017 to 31 January 2018. Subsequently, MoE has assumed the entire accounting responsibilities.

# CHAPTER TWO – COP23 PRESIDENCY TRUST FUND: FIRST SEMI-ANNUAL REPORT

## BACKGROUND OF COP 23 & THE PRESIDENCY

Member parties (nations) of the United Nations Framework Convention on Climate Change (UNFCCC) meet annually at a Conference of the Parties (COP) to consider progress against the objectives of the convention and to facilitate further protocols, agreements and other steps.

These meetings have, for example, finalised the Kyoto Protocol in 1997 at COP3 and the Paris Agreement in 2015 at COP21. They also set mandates or directions for future meetings.

Each year different countries assume the Presidency of a COP and chair of the supporting management body of the UNFCCC called the Bureau. At the next COP the Presidency is handed over to another country. Poland is the incoming presidency and will become President of COP24 in December 2018.

At COP22 in Marrakech, parties agreed that COP23 in Bonn, Germany in November 2017 was mandated to finalise the design of the 2018 Facilitative Dialogue. It was also mandated to advance negotiations on the Paris Agreement Work Program so that it could be concluded at COP24 with agreement to a rulebook or implementation guidelines for the Paris Agreement, which is to start in 2020.

The COP23 Presidency Secretariat office is based at Level 9, Suvavou House, Suva. There is currently 7 staff managed by Executive Director, John Connor.

The Presidency of COP is an annual position at the Conference of Parties (COP) that are given to Member Party (nations) of the United Nations Framework Convention on Climate Change (UNFCCC) to consider progress against the objectives of the convention and to facilitate further protocols, agreements and other steps. The COP 23 President was Fiji's Hon. Prime Minister and the vision was centred on the "*Spirit of Talanoa*<sup>1</sup>"

## KEY OUTCOMES OF COP 23

The resolutions adopted in Bonn, Germany following the conclusion of the 23<sup>rd</sup> Conference of Parties were divided in four (4) main spectrums:–

1. Negotiations
2. Global Partnerships
3. Regional Initiatives
4. Domestic Initiatives in Fiji

---

<sup>1</sup>The Dialogue is a mandated process requested by Parties to take stock of collective efforts to reduce emissions and build greater resilience, in line with the long-term goals of the Paris Agreement and to prepare updated or new NDCs by 2020



Fiji has been engaged in pursuing outcomes that will assist Fiji and the Pacific in dealing with climate change. In addition, Fiji, in its role as President of the COP23 negotiations, guided progress on certain key aspects of the negotiations and oversaw the launch of a number of new initiatives.

Details of the above can be accessed on <https://cop23.com.fj/key-achievements-cop23/>

# CHAPTER THREE – COP23 PRESIDENCY TRUST FUND ACCOUNT: STATEMENT OF RECEIPTS & PAYMENTS FOR THE PERIOD ENDING 31 OCTOBER 2017

## RECEIPTS

The Committee was informed that:

- Interest is earned on monies held in the operating account; and
- The Secretariat received a refund from the Grand Pacific Hotel when final reconciliations revealed certain contracted services were not utilised during the Climate Action Pacific Partnership Conference.

## PAYMENTS

### **Conference Costs:**

#### 1. External Professional Services

External Professional Services expensed in the relevant period include:

- general strategic advice on COP23 Presidency matters, speech writing, consultancy services such as the construction of the Fiji Pavilion and international climate negotiations;
- engagement with networks of governments, key development agencies, climate change leaders, foundations, civil society and investors;
- negotiation support including training and capacity building for the Fijian delegation;
- assistance with establishment and operation of COP23 Presidency Secretariat, and;
- On-going assistance with donor outreach and fundraising and management of arrangements once in place.

These services also include:

- cultural advice and management for Fijian look and feel at COP23 in Bonn and Bula zones, including Pavilion design and facilitation of construction with authentic materials; and
- Management of transportation of Drua Aida Yeti to the Bonn World Conference Centre.

#### 2. Climate Action Pacific Partnership Event

- The Climate Action Pacific Partnership Conference was held at the Grand Pacific Hotel. As per the report, the COP23 Presidency Trust Fund expended FJ\$490 950 by the end of October 2017.
- The large majority of these expenses were for the venue and accommodation of \$323,515. Other sums for per diems for PSIDS leaders + one accompanying official, some travel and various other costs such as audio visual, signage and communications.
- Germany through GIZ separately supported the bulk of travel costs of Pacific leaders plus one to this event, and this was not funded through the Trust Fund.

### 3. Pre-COP

- Pre-COP was held at the Sheraton-Westin complex at Denarau. At the end of October the Trust Fund had expended FJ\$1,352,146. FJ\$1,212,000 of this was payments to the Sheraton with other payments made for printing, signage and accommodation outside of the Sheraton.

#### **TRAVEL RELATED COSTS**

##### Purpose of the Media Tour

- The media tour was fully funded by a philanthropic foundation. The grant covered the travel and accommodation within Fiji for six participating journalists from top-tier European publications, broadcasters and wire services.
- Over the course of the five-day itinerary, the participating journalists travelled to the islands of Vanua Levu, Viti Levu and Kadavu, visiting villages affected by rising sea levels, settlements affected by Tropical Cyclone Winston and some of the places where innovative solutions are being implemented to help better adapt to these challenges.
- Stories were published or broadcast in influential media such as Deutsche Welle and Radio France International.

#### **OUTREACH PROGRAMS**

The week began with multi-faith days of prayer and included a weekly program of activities including tree and mangrove planting, carbon exhibitions, seminars and a community march with a closing festival. It also included an oratory competition amongst schools from around Fiji from which Timoci Naulusua and Shalvi Shakshi were ultimately selected to represent Fijian youth at COP23 in Bonn in a project with UNICEF.

#### **UTILISATION OF THE REMAINING BALANCE**

The Committee was informed that the balance of the funds, and further contributions, will be utilised to continue to support the engagement of the Fijian leadership and a national delegation at UNFCCC and other relevant meetings including COP23, May and September 2018 inter-sessionals, Petersburg Dialogue, Global Climate Action Summit, PreCOP24 and COP24.

It will also provide for the continued Presidency support services, the management of the COP23 Secretariat, Ocean Pathway, National Climate Day 2018 and further outreach and engagement with Pacific colleagues. The next important event is the 2nd annual Climate Action Pacific Partnership Conference at the GPH on 26 and 27 July 2018.

#### **UPDATE ON THE AUDIT OF THE FINANCIAL STATEMENT OF COP 23 PRESIDENCY TRUST FUND ACCOUNT**

The COP 23 Secretariat has appointed an independent auditor – PwC to audit the financials of the COP 23 Presidency Trust Fund and is in the process of concluding the audit.

## **DISCLOSURE OF TRUST FUND**

The Committee was informed that Funds have been accounted on a cash basis, with expenses realised when paid.

## **CONCLUSION**

The Standing Committee on Public Accounts noted that the purpose of the COP 23 Presidency Trust Fund: First Semi-Annual Report is to provide information on key activities and expenditure incurred through the first six month of expenditure from the COP 23 Presidency Trust Fund from May 2017 to October 2017.

The review of the COP 23 Presidency Trust Fund First Semi Annual Report was conducted in a very insightful manner.

Furthermore, the Committee recommendations are listed under every sub topic and questions and answers are listed on the Appendix column of this report.

# APPENDICES

# **APPENDIX 1: SUBMISSION BY COP23 PRESIDENCY SECRETARIAT**