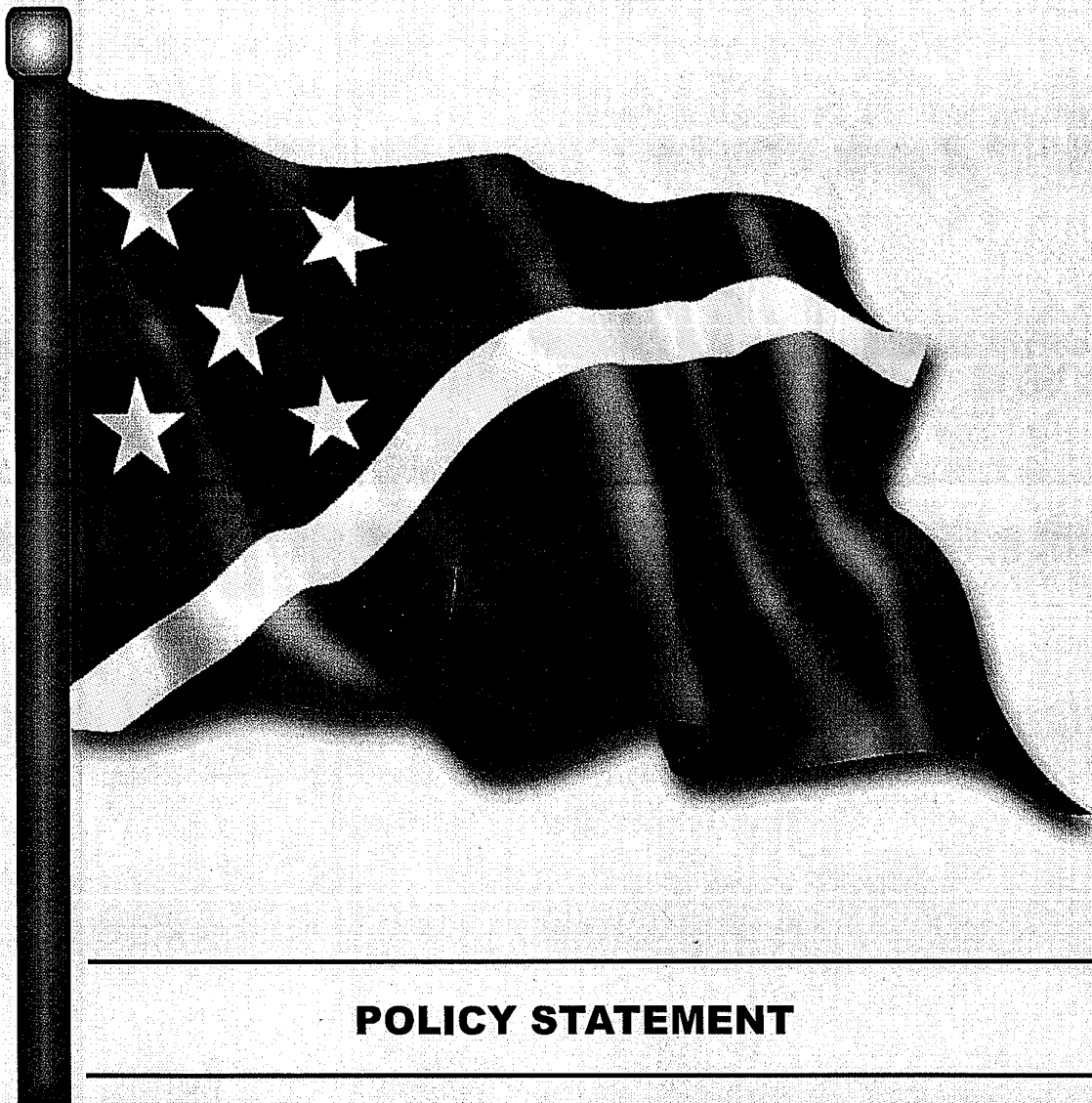




## **THE NATIONAL COALITION FOR REFORM AND ADVANCEMENT (NCRA) GOVERNMENT**



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### **POLICY STATEMENT**

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OFFICE OF THE PRIME MINISTER  
HONIARA, SOLOMON ISLANDS  
OCTOBER 2010





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## FOREWORD

The National Coalition for Reform and Advancement (NCRA) Government is about Reforms. It shall embark on reforms and advancement programs as key strategies to move this country forward to a level where Solomon Islanders are better equipped to improve on their quality of life.

This Document offers hope for a new Solomon Islands.

In the past, successive governments adopted programmes of action and priorities in the relevant ministries and departments. Unfortunately, implementers have had to deal with delays, compounded by lack of proper coordination and resources in driving government policy priorities forward.

It is for this reason that the NCRA Government is determined to make a difference. This policy framework document will ensure that at the end of our tenure, we leave government with the satisfaction that we have achieved what we promised the nation.

My Government will take a leading role in driving its policy priorities forward through the Bureau of Social and Economic Reforms (BSER) within the Office of the Prime Minister and Cabinet.

In shifting the real economy from one that is dominated by log exports to one that seeks to create ample opportunities in industries such as tourism is not going to be easy. This means targeting the extraction sectors such as the minerals and fisheries industries. All other sectoral policies, including foreign and national security, are complementary to this new shift in policy direction.

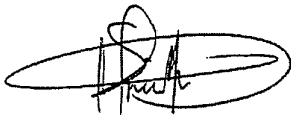
The Government appreciates that there is a need for a fine balancing act between small, medium and large scale economic activities in the real sector, which will ultimately lead to a balanced and sustainable economy.

We acknowledge that there are challenges ahead. However, it is our belief that the re-direction of the economy will fast-track our efforts to meet the objectives of the Millennium Development Goals (MDGs).

This Policy Document highlights the urgency for a comprehensive reform program, focussing on the Constitution and the Economy to ensure our people are given equal or greater opportunities to participate in their nation's development.

The NCRA Government's shared goal is to see the people of Solomon Islands reap maximum benefits from their resources, in the hope of improving their quality of life and that of their future generations.

God Bless Solomon Islands.



Hon. Danny Philip MP  
Prime Minister

## EXECUTIVE SUMMARY

The National Coalition for Reform and Advancement (NCRA) Government highlights in this document the direction we will take to raise the quality of life of our people.

The Framework document is organised into several main parts including:

- a) Clear Political Directions
- b) Challenges and Opportunities
- c) Fundamental Reforms
- d) Sector Developments
- e) Good Governance
- f) Security and Foreign relations
- g) Civic Affairs

From this Policy Statement, Translation and Implementation Framework will follow. The translation document will ensure these policy statements are converted into workable and achievable Action Plans. It also hopes to incorporate ongoing corporate/strategic plans of Ministries and other relevant semi-government entities. Short term and medium term plans will be set so that we can achieve some of these plans within our term in office.

The NCRA government is determined to make a difference by introducing Fundamental Reforms, creating a New Social Order which focuses more in knowing ourselves better as Solomon Islanders. This Document is NCRA Government's Roadmap to lead this nation and its people to prosperity. We therefore, call on all Solomon Islanders, stakeholders and donor partners to support us in this important endeavour.

## **PART 1. INTRODUCTION**

The National Coalition for Reform and Advancement (NCRA) Government was elected into Office on 25<sup>th</sup> August 2010. It comprises members of the seven political parties and entities namely;- the Independent Democratic Party (IDP), Solomon Islands Party for Rural Advancement (SIPRA), the Reform and Democratic Party of Solomon Islands (RDP), Rural and Urban Party (RUP), Direct Development Party (DDP), OUR Party, and Independent MPs. In response to the desire for fundamental change, this Policy Statement is an undertaking by NCRA to pursue a major shift in policy direction for the next four years. This Document combines the policy intentions expressed in the Manifestos of each of the seven political parties and entities that make up the NCRA Government.

The Government is mindful that the purpose of this Policy Statement is for and about the people of Solomon Islands – their education, employment, health, happiness, sense of fulfilment, and general well-being. In this regard, the government seeks to implement a comprehensive reform program that focuses on greater autonomy for economic advancement. NCRA will aggressively pursue new direction and leadership approaches that would bring about social and economic advancement, that ensures fair distribution, equal access to and opportunities for all.

NCRA is determined to continue to facilitate the healing process in order to bury the unfortunate events of the past, and to progress towards a New Social Order which recognizes the important contributions, that Rural Solomon Islands can make to the overall development of our nation.

## **PART 2. POLITICAL DIRECTION**

### **2.1 Vision**

Under God's guidance, the National Coalition for Reform and Advancement Government will empower Solomon Islanders to be self-sufficient through equal participation in socio- economic, political and spiritual development that will benefit both rural and urban people to embrace an all inclusive Solomon Islands, and to be engaged in a constructive partnership in its international affairs.

### **2.2 Mission**

The Mission of the Coalition is to create a new, united and vibrant Solomon Islands, based on the principles of mutual respect and trust through peaceful co-existence in a diverse, yet secure and prosperous environment where tolerance is encouraged

### **2.3 Principles**

In governing the affairs of the nation, the NCRA Government shall be guided by the following core principles:

- (i) Acknowledgement of the sovereignty of God as the basis for righteousness, justice, equal opportunity and dignity in the governance of Solomon Islands;
- (ii) Committed to a just and tolerant society which fully protects the rights and freedoms of all citizens, as enshrined in the National Constitution;
- (iii) Uphold the essential democratic principle of universal suffrage in promoting and maintaining a system of democratic representative government;
- (iv) Exercise honest leadership with responsibility;
- (v) Recognize the role of churches, religious institutions as well as Non-Government Organizations as partners in nation building while respecting their mutual independence;
- (vi) Cherish and promote our different cultures and traditional values so as to maintain unity in diversity;
- (vii) Recognise and uphold our traditional values as the basis for self-sufficiency and self-reliance;
- (viii) Embrace and promote gender-equity.

### **2.4 National Objectives**

In governing Solomon Islands, the NCRA Government adopts the following:-

- (i) Active participation by Solomon Islanders in the determination of their political, economic and social development;
- (ii) Provide safety and security for all citizens;
- (iii) Encourage partnerships amongst all stakeholders in prioritized national development;

- (iv) Respect and promote our common cultures and recognise our indigenous culture as a distinct industry;
- (v) Protect and advance the interests and integrity of Solomon Islands internationally through co-operative partnerships;
- (vi) The government shall endeavour to ensure that every citizen has the right to physical, mental, social and spiritual well being.
- (vii) Provide equitable access to quality and relevant education.
- (viii) Alleviate poverty in Solomon Islands through decisive national actions and international cooperation;
- (ix) Ensure Solomon Islanders receive a fair reward in the exploitation and utilization of their natural resources through appropriate reform mechanisms;
- (x) Facilitate and foster a dynamic private sector driven economy through active involvement, and participation by stakeholders in both the rural and urban economy;
- (xi) Assist Solomon Islanders to participate in private sector development;
- (xii) Recognise, acknowledge and strengthen the role of traditional leaders and chiefs.

## **PART 3. CHALLENGES AND OPPORTUNITIES**

### **3.1 New Solomon Islands**

The NCRA Government has adopted “Building a New Solomon Islands in the 21<sup>st</sup> Century” as the theme for this Policy Statement. The Statement is a pillar of significance which provides the foundational framework that sets the scene for future directions. It is designed to reflect the underlying values and principles which unites and binds the Coalition together.

The Government recognises that without empowering Solomon Islanders financially and economically, the nation will continue to be dependent on outside help. To avoid this, we will introduce a range of programs which set the baseline for empowering Solomon Islanders economically. This baseline will consist of making resources available to local businesses in both urban and rural Solomon Islands.

As a government, we believe Solomon Islands can never be new until its own citizens are economically self-reliance.

### **3.2 Empowering Solomon Islanders**

The immediate objective of the NCRA Government is to ensure the reversal of the current socio-economic downturn by:

#### **3.2.1 Providing Security**

One of the NCRA Government’s most important priorities is to provide a safe and secure environment for all Solomon Islanders. This calls for a shift from traditional to non-traditional approaches on security issues. These include:

- a) security against external threat;
- b) border security (implementation of border agreement and joint border talks)
- c) economic security;
- d) environmental security;
- e) fisheries and maritime security
- f) food security; and
- g) cyber security

#### **3.2.2 Creating and Promoting Opportunities.**

Central to the NCRA Government’s values is the objective to provide equal access to development opportunities and benefits for all Solomon Islanders so as to:

- a) realize fully their individual potential throughout their lifetime;
- b) advance their living standards and quality of life;
- c) gain access to all social services;
- d) participate and cooperate with the government as a community responsible for its own future;
- e) ensure maximum benefits accruing from sustainable management of natural resources;
- f) establish an IT village for research and technological development in industry and agriculture.

#### **3.2.3 Private Sector Investment Opportunities**

The NCRA government recognizes that its economic wealth is rural-based. The government will address this by supporting the village economy to create money earning opportunities through

self-employment and wage employment. This new approach will embrace the development of the Rural Dweller Investment Programme which hopes to create new and expanded opportunities in small-scale agriculture, artisanal fisheries, tourism and forestry sectors.

### **3.3. Reserved Business Areas for Solomon Islanders**

A common complaint from Solomon Islanders to the government is to retain reserved areas of business for our local people. This is important and crucial for the economic security of our indigenous entrepreneurs and resource owners. The NCRA government believes that failing to address this would result in Solomon Islanders being pushed to the periphery and marginalised.

The NCRA government will therefore embark on a comprehensive review of the relevant legislations and ensure local businesses fully participate in economic activities, including preferential procurement of goods and services. The significance of this review is the need to protect indigenous businesses, and ensure that genuine foreign investors with adequate capital are brought in, and not those that rely on the country's financial resources.

## **PART 4. REFORMS**

The Government proposes a two-pronged approach in its Reform Programs. These reforms will come under two themes – Fundamental Reforms and Sectoral Development to advance the nation forward.

### **4.1 FUNDAMENTAL REFORMS**

#### **4.1.1 Constitutional reform**

The NCRA Government recognises that the Constitution, our supreme law, protects our natural resources. As such, the protection of our natural resources is entrenched. We believe that unless the fundamental reforms are made, the control over resources will continue to remain with the state or outsiders. We want the ownership of land revert to the control of resource owners.

The Fundamental Reforms encompasses constitutional reforms. These include:

- a) Customary Land
- b) Natural Forest
- c) Mineral Resources
- d) Rivers ,Lakes and Estuaries
- e) Reefs and Lagoon
- f) Geothermal sites,
- g) Harbours and waterways
- h) Islands and islets
- i) Cultural sites
- j) Heritages objects and Traditional art forms and
- k) Human Resources.

#### **4.1.2 Political Reform**

##### **4.1.2.1 Political Parties**

The NCRA will pursue the introduction of a Political Parties Registration and Administration Bill.

##### **4.1.2.2 Electoral Reform**

The NCRA will adopt recommendations by the Electoral Commission which shall be established as an autonomous body. It will review the whole electoral process including the voter registration system and weeding out of corruption through a mechanism of no cash payments or gift giving during the campaign period. This means that the \$50,000.00 maximum expenditure by candidates shall no longer apply.

##### **4.1.2.3 Constituency Boundaries Commission Report**

Revisit the Constituency Boundaries Commission Report for the 2014 General Elections. Further boundary divisions will be carried out to enhance representative democracy including the provision of several seats for women to reach the maximum of seventy (70) seats as agreed to by the 8<sup>th</sup> Parliament (2006-2010) as a result of a Constitutional Amendment.

## **4.2 SOCIAL REFORMS**

### **4.2.1 Land Reform**

The NCRA Government will ensure reforms in customary land tenure system which will allow land for easy access and availability to host national projects. This will be done through the introduction of a "Solomon Islands Customary Land Institutionalization Bill". This bill will enable customary land holding groups to register their customary lands for the purpose of rendering them to be more inclusive to enhance socio-economic development.

### **4.2.2 Customary Law Codification**

This is a social reform mechanism aimed at regulating the behaviour and conduct of people from our various cultures and value systems in the country. This is to prescribe codes of conduct so that Solomon Islanders behave with care and responsibility towards their fellow citizens.

### **4.2.3 Demographic and Coding System**

The NCRA Government will introduce a Demographic and Coding Bill. This Bill aims at ensuring the compilation of all relevant and appropriate data of every citizen in the country, and to be stored in a central computer data base for appropriate use by the state in the areas of:

- a) Intelligence networking
- b) Economic and Social planning
- c) Crime and Security
- d) Instant data base for national census and other demographic information
- e) Monitor travel and movement of citizens both within the country and out of the country
- f) Source of instant information in events of natural disasters and relief conveyance and the database will be available to all National and Provincial Government Departments, Overseas Head of Missions, and other Stakeholders with different levels of security to accessibility.

### **4.2.4 Health and Medical Reform**

The NCRA Government will ensure Solomon Islanders have easy access to quality health services to be provided by the public and private health service providers.

As part of its intention to reform the health system, NCRA will ensure devolution of primary health care functions to the provinces and communities, while the central government focuses more on improving secondary health care.

The NCRA Government will further pursue the recommendations made by the Special Parliament Committee which investigated the quality of service at the National Referral Hospital in 2009.

### **4.2.5 Education and Human Resource Development**

The NCRA Government considers education as a key ingredient in all spheres of human development. As such it shall ensure that all Solomon Islanders have equal access to quality education to enhance our human resource development. NCRA will develop a constructive partnership involving landowners, the National Government and Development Partners to ensure the Universal Right of a Child to Education is met.

#### **4.2.5.1 Early Childhood and Primary Level**

NCRA will provide additional resources and review education policies on early and primary education.

#### **4.2.5.2 Secondary Levels**

Review the purpose of exams and subsidy for basic education. NCRA encourages the establishment of separate schools or classes for girls and boys.

#### **4.2.5.3 Technical Vocational Education Training**

NCRA Government will ensure at least, One Technical College, per province.

#### **4.2.5.4 Scholarships**

NCRA Government will Strengthen and broaden the current scholarship arrangement based on academic performance (Grade Point Average). The NCRA Government will fund tertiary education, including scholarships for SICHE.

#### **4.2.5.5 Promote Distant Learning Mode**

NCRA recognizes the importance of promoting distant learning.

#### **4.2.5.6 Private Sector Training Initiatives**

Facilitate and encourage private sector training initiatives through government/industry consultative mechanism.

#### **4.2.5.7 Expand Tertiary Education Provision in Solomon Islands**

An enactment of Higher Education Authority with a view to establish a National University of Solomon Islands within the NCRA Government's Term in Office.

#### **4.2.6 Housing**

The NCRA government recognises the importance of private home ownership and will work with both the Home Finance and the NPF, to create and finance a flexible and affordable housing scheme for members. NCRA will support rural housing scheme through the Rural Livelihood Fund.

#### **4.2.7 NPF Funds**

Review the NPF Act to ensure that NPF resources are used to establish;

- a) a microfinance scheme to support economic growth centres;
- b) a savings scheme for non-employed members;
- c) a pension scheme for members.

### **4.3 ECONOMIC REFORMS**

The Coalition aims to redress the key factors inhibiting growth in Solomon Islands such as macroeconomic policy inconsistency, instability and policy reversals, conflicts of macroeconomic policy goals, public sector dominance in production and consumption, and pervasive rent-seeking. Others are infrastructure inadequacy and decay, high volatility of major macroeconomic aggregates, weak institutional capacity for economic policy management and coordination, unsustainability of government finances, lack of effective coordination among government ministries, and an outstanding large debt. The Coalition will take the following specific reviews:

#### **4.3.1 Review of the Macroeconomic Framework**

The NCRA Government recognizes the importance and urgency to diagnose the macroeconomic situation of the country with the view to identifying key self-help reform measures.

Such an approach is essentially crucial in order for all stakeholders to take ownership of the initiative. This would require negotiating external assistance from donor partners to provide the necessary support, both in terms of finance and expertise. Hence, a sound and more focused Terms of Reference (TOR) need be designed to reflect the objective of the NCRA Government in trying to address the underlying weaknesses impacting on the nation's overall economic development and performance.

#### **4.3.2 Private Sector-led Growth**

Our development strategy must be anchored on the private sector as the engine of growth for wealth creation, employment generation and poverty reduction.

#### **4.3.3 Growth Centres**

The NCRA Government will establish Economic Growth Centres and Rural Economic Communities in rural areas. The concept advances the idea of creating infrastructures for the development of roads, wharfs, and bridges to support the transportation and marketing of produce to major market outlets.

At the same time, NCRA Government hopes to introduce cottage industries for food processing in the growth centres through the introduction of appropriate technology.

Specific savings and loan schemes shall also be established to support these growth centres.

#### **4.3.4 Fiscal Policy**

The Coalition acknowledges that increased profligate spending and granting of tariff exemptions and remissions had resulted in a Government without funds to pay its bills or even to service its debts to official and private creditors. To address these weaknesses, the NCRA Government will adopt some fiscal measures, considering the fact that the aim of fiscal policy in the country is to manage demand in a manner consistent with external viability.

The NCRA Government shall produce a Long-Term National Development Plan (LTNDP) via an Act of Parliament. Any changes to the LTNDP shall require Parliamentary approval.

##### **4.3.4.1 Public Sector Reform Program (PSRP)**

The overall goal of the PSRP is to redirect and reposition the Solomon Islands economy on a manageable and sustainable track and to improve efficiency and performance in the public sector. This would mean 'rightsizing' the public sector to a level commensurate with the contraction of logging to a sustainable level; and shifting the balance of economic activity away from the public sector to private sector through the NCRA Government's newly designed 'Rural Dweller Development Policy' approach. This would result in the following key outputs:

- a) Reduce the size and operating costs of the civil service to a level that will not exceed total annual revenue of the Government, subject to periodic adjustments of inflation. This will be done through the 'rightsizing exercise of the public service;
- b) Increase domestic revenue generation;
- c) Restructure government operations to improve efficiency and effectiveness and sell or liquidate several major state-owned enterprises;
- d) Strengthen governance institutions in order to promote greater transparency and accountability and to reduce opportunities for corruption in the public service; and
- e) Mitigate negative social and economic impacts of adjustment in public expenditure.

#### **4.3.4.2 State-Owned Enterprises**

The NCRA recognizes that all state-owned enterprises are currently facing enormous problems and are not providing effective services. Therefore proper mechanisms need to be put in place to effectively monitor their activities and review their performances. The NCRA Government acknowledged the work done by the Economic Reform Unit (ERU) within the Ministry of Finance and Treasury. However, as part of the Government's effort to implement and properly coordinate its reform program, it intends to move ERU to the Bureau of Social and Economic Reform Unit within the Office of the Prime Minister and Cabinet. All SOE's will therefore be required to adopt a corporate governance framework to enhance management and promote accountability in accordance with the Investment Corporation of SI (ICSI) Act and State Owned Enterprises (SOE) Act.

#### **4.3.4.3 Government Budgets**

The Coalition acknowledges that fiscal policy is the most important instrument of macroeconomic management in Solomon Islands. Therefore, reforms at this level are critical for overall macroeconomic stability and consistency. Some of the key policy thrusts include:

- a) Pursuit of policies consistent with raising domestic savings and increasing private investments.
- b) Public debt sustainability
- c) Introduction of Ministerial Budget Contracts with the Treasury (signed by respective Permanent Secretaries) as a management tool and basis for staff appraisals and promotions.
- d) Reformed budget process with early involvement of stakeholders
- e) Tax reforms aimed at raising more revenues and diversifying the revenue base
- f) Strengthening of the budget office
- g) Medium Term Expenditure Framework
- h) Intergovernmental fiscal coordination based on a Fiscal Responsibility Act or any similar initiative
- i) Strengthen government's procurement process.

#### **4.3.4.4 Wage and Salary**

The NCRA Government recognizes the importance of harmony in the workplace. It shall establish a Wage and Salary Commission to adjudicate the ability of the economy to grant wage and salary awards.

#### **4.3.4.5 The Capacity of Development Planning**

The Coalition is aware of the lack of capacity, especially in the area of project preparation skills by officials within the Ministry of Development Planning and Aid Coordination. This often results in submitting incompetent project proposals to donor agencies thus could have negative impacts on the funding of important priority sector development projects. To address this gap, the Coalition will negotiate a special donor funded 'Project Support Team' with at least two or three Technical Assistants (TA) to be established within the Ministry of Development Planning to prepare proposals and train local counter-parts in preparation for any Mid-Term Development Program (MTDP) review. The Coalition will also consider other options such as the outsourcing of project preparation.

All donor funded programs shall be encouraged to align their operations within the framework of relevant line ministries.

#### **4.3.5 Balance of Payments**

The NCRA Government is aware that the nation's external account is dominated by developments in the forestry sector. Poor structural diversification, swings in log prices and large

changes in the international commodity prices have continued to dictate the direction and pace of shifts in the external account.

A vigorous export diversification and expansion as well as a gradual import liberalization should be the winning strategy for moving the country forward. They include taking the following measures:

- a) Export promotion and diversification of exports away from logs
- b) Gradual liberalization of imports – harmonization with the common external tariffs and using special levies and import prohibitions to protect local industries.
- c) Market-determined nominal exchange rate regime and avoidance of overvaluation of the real exchange rate
- d) Seek debt reduction to make Solomon Islands debt service sustainable
- e) Review the 'no external borrowing' policy of previous governments and seek appropriate external financial assistance to fund the governments public sector investment program in selected productive sectors.

#### 4.3.5 Monetary & Exchange rate Policy

The conduct of the monetary, credit and exchange rate policies will continue to be guided by the Central Bank's Monetary, Credit, Foreign Trade and Exchange Policy Guidelines which will be issued by the government. The overall goal of monetary policy remains price and exchange rate stability, and the instruments are those consistent with a deregulated financial system. NCRA will pursue the following:

- a) Low (real) lending interest rate regime
- b) Competitive but stable exchange rate regime
- c) Positive deposit interest rate regime
- d) Restructure composition of credit to private sector to boost production
- e) More credit to the private sector – especially long term credit for real sector development
- f) Effective regulatory and supervisory mechanisms to ensure the orderly development of the financial system
- g) Continue with the auction of securities market in the determination of interest rates, and adopt a wholesale auction strategy in the medium to long term.
- h) Improved access and efficient provision of banking and microfinance facilities throughout the Solomon Islands especially in rural areas.
- i) Mining companies operating in Solomon Islands shall pay their taxes in the form of refined gold bars.

## **PART 5. MAJOR SECTORS**

### **5.1 Productive and Economic Sector**

The NCRA Government recognises the importance of the private sector and shall vigorously pursue the development of the productive sector, especially in the tourism, fishery, agriculture, and mining.

#### **5.1.1 Real Sector Review**

The NCRA Government recognizes the real sector as a key component of the economy with commodity production well dispersed throughout the country. The production of some important commodities in this sector suffered as a result of misconceived policies and centralized marketing structure, and worsened by the ethnic tension. The NCRA Government recognizes the weaknesses and strengths of this sector and shall institute measures to strengthen financing and marketing arrangements for revitalization of commodities that the rural sector will substantially benefit from, especially in the copra, cocoa and fisheries.

On the other hand potential investment activities ideal for rural development including Mari-culture, aqua-culture, reforestation, cattle and rice-farming shall be accorded priority considerations.

#### **5.1.2 Agriculture**

The NCRA Government will set up an Agricultural Reform and Food Security Commission to oversee the implementation and monitoring of all agriculture related policies and reform program.

- a) Pursue national rice programme with the aim to develop commercial rice farming.
- b) Facilitate and support the development of Auluta Basin and Waisisi Oil palm projects on Malaita, and the East Choiseul Oil Palm and Vangunu Oil Palm Projects in the Western Province.
- c) Rehabilitate the cattle industry.
- d) Establishment of more copra milling facilities in rural areas to facilitate the production of coconut oil, bio-fuel, animal feed and other down-stream products for export.
- e) Provide assistance to rehabilitate cocoa, coconut, honey, tea and local fruit species through use of subsidy funding for specific interventions that will directly improve people's livelihood in both subsistence and income streams.
- f) Improve domestic and export marketing infrastructure (outlets, storage, accessibility, facilities, information and management) for agricultural products produced by smallholder farmers;
- g) Upgrade Quarantine services and facilities to comply with international requirements and to facilitate importation of improved animal stocks, crop planting materials and export of local products to overseas market;
- h) Revive the Solomon Islands National Agriculture Research Institute (NATI) and revitalise field research capacity.

- i) Overhaul, restructure and reform agricultural extension services to ensure they are effective and robust in providing appropriate technical advice to farmers.
- j) The government will assist farmers to establish spice farms for domestic consumption and export.
- k) Promote both the rehabilitation and re-planting of both coconut and cocoa trees and consider the possibility of processing cocoa domestically into chocolates and other products. Establish a special financial support scheme to enhance the production of cocoa to double the volume of cocoa production in the next 5-10 years;
- l) Contain, control and eradicate exotic pests and diseases through legislation and in collaboration with the private sector, neighbouring countries and international organizations.
- m) Ensure there is a pool of trained agriculturists available to meet the changing national demands in the formal, private and non-formal sector.
- n) Promote the development and export of kava.
- o) Encourage animal husbandry/small livestock industry especially in piggery and poultry.
- p) Promote agriculture opportunity areas in the provinces.

### **5.1.3 Fisheries**

The government is aware that the extraction of the country's fish stock both deep-sea and inshore contributes less than anticipated to the development of the country. Under NCRA's diversification program, the government will assist current investors to participate in the development of our inshore fisheries in partnership with local fishermen.

- a) The government will facilitate the building of fishery marketing infrastructures and the establishment of a network directly connecting fishermen in the rural areas with the set up in Honiara. The fish are to be brought in from the fishing centres in strategic locations throughout the country to Honiara in specially designed vessel for packing and air-freighting to target markets overseas;
- b) Development of in-shore fishery facilities including aquaculture, especially mariculture, (e.g. fish, mud crab, pearl, seaweed) and other types of farming for subsistence and commercial development for the benefit of coastal and atoll dwellers while at the same time encourage the conservation of marine resources to ensure sustainable harvesting.
- c) Progress work on establishing fishing and fish processing companies at Suava Bay, Malaita, and at Tenaru on Guadalcanal and explore the possibility of requiring Solomon Islands' licensed fishing boats to supply certain percentage of their catches to the local cannery;
- d) Review the conditions of access licenses granted to deep sea fishing associations with the view to setting a time frame within which they must establish shore based facilities in Solomon Islands.

- e) Ensure that proper policies are put in place to oversee the commercial activities taking place within this sector, such that vigilant surveillance (in conjunction with FFA) of our EEZ and optimum returns from Solomon Islands marine resources, are realized.
- f) Review all fishing license fees in US dollar.
- g) Consider assisting the local fishermen with adequate resources as part of government's efforts to involve the local people in the development of the fishery industry.

#### **5.1.4 Forestry**

The Coalition fully acknowledges the forest sector as a key contributing sector in the country's development process. It provides substantially to GDP growth, government revenue through export duty, and job creation, especially in the rural areas. However, the government is very concerned about the current unsustainable logging in the country and the likely adverse impacts on the economy, if current trends continue unaddressed. Under the Coalition's diversification program, it will encourage private existing investors to participate in implementing a comprehensive downstream processing strategy.

- a) Enactment of the current draft Forestry Bill to ensure a holistic management and transparent approach to the country's forests and to control the activities of the logging industry, and achieve a better balance in the pecuniary and social benefits received from the sector;
- b) Suspend the issuance of new logging license and review all non-operational licences;
- c) Review the current logging taxation regime and ensure both customary landowners and the government equally share the 40.0% royalty on log exports;
- d) Assist forestry research institutions so that they could identify and regulate the use of appropriate endemic species in reforestation projects, and to develop and supply improved planting materials of proven tree species for reforestation to smallholders;
- e) Make available technical advice and other forestry services to rural communities to assist them in managing the commercial use of the resource, as well as to transfer skills and technologies to them;
- f) Liaise with other sector ministries and relevant expert stakeholders to explore a mechanism for Solomon Islands to participate in and benefit from carbon trade opportunities from its forest resource;
- g) Promote a country-wide production and marketing system of eco-timber for both local use and export by the local sawmill owners. Ensure only indigenous Solomon Islanders are involved in the production and export of eco-timber in the country;
- h) Promote non timber forestry products such as pharmaceutical products;
- i) Promote reforestation in rural areas throughout the country.

### **5.1.5 Energy**

The NCRA Government recognizes the importance of this sector in the economy. To tap the opportunities available in the rural areas and factor them into the whole economic development, greater emphasis will be directed towards encouraging and promoting new and renewable sources of energy like hydropower and wind power. This would require the immediate implementation of the National Energy Policy.

Greater emphasis will also be directed towards the Clean and renewable energy options, like hydropower, geothermal, solar power and other clean energy development potentials in the country to reduce fuel import.

### **5.1.6 Manufacturing**

The NCRA Government recognizes that considering the open nature of the Solomon Islands economy where almost all consumer goods are imported and exports constitute mostly unprocessed goods, there is need to pursue more manufacturing as well as value-added to Solomon Islands products.

- a) To stimulate the expansion and diversification of the manufacturing sector for economic growth, the NCRA Government recognizes the need to provide appropriate investment incentives for manufacturing and exporters of manufactured goods in specially established 'Export Processing Zone (EPZ) in strategic locations;
- b) The NCRA Government will promote Solomon Islands as an ideal location for the development of appropriate technologies with off shore partners.

### **5.1.7 Mining Industry**

The NCRA Government recognizes the potential for increased mineral development in the country and would immediately pursue tendering the selection of potential investors for the development of mining projects with landowning groups;

- a) The government will update all information and data on mineral deposits in Solomon Islands;
- b) An urgent aerial survey to determine the mineral potentials in Solomon Islands would be pursued with relevant donor agencies;
- c) Corporatize the secretariat of the industry and build their capacity so that compliance to the act is enforced.
- d) Adopt the requirements of the Extractive Industry Transparency Initiative (EITI) as part of the reform program.
- e) The NCRA government will ensure only formally registered companies will be licensed to export alluvial gold.

### **5.1.8 Environment, Conservation and Climate Change;**

Solomon Islands is rich in natural resource endowments and as such its economic future depends critically on its ability to achieve sustainable economic growth within an appropriate framework of environmental protection and conservation. The NCRA Government recognizes the importance to review the present National Environment Policy so as to accommodate both the sector and cross-sector policies for development. The government will undertake the following policy actions:

- a) Increase awareness on the principles of Adaptation and Mitigation on climate change;
- b) Promote Carbon Trading;
- c) Increase awareness to all rural communities on the importance of conserving resources and becoming responsible custodians of the natural environment;
- d) Devise appropriate control mechanisms to control, reduce and monitor adverse effects of climate change on the environment and people. A nationwide relocation program shall be annually funded by the government;
- e) Ensure the Meteorology Services has necessary and adequate equipments to enable timely forecast and warning on weather patterns;
- f) Give priority recognition to sustainable management of the country's environment since it directly supports the subsistence and formal economy of the country;
- g) Ensure environmental issues are integrated into other sectors such as development planning, agriculture, fisheries, mining, tourism, education and health so that adequate understanding about environmental issues of a cross-cutting nature is present amongst staff in these important sectors;
- h) Introduce legislation to protect and manage the country's biodiversity including the flora, fauna and eco-systems;
- i) Strengthen capacity of National Disaster management Office to improve disaster preparedness and risk management plans in the country.

#### **5.1.9 Tourism Industry**

The NCRA Government recognizes the potential for tourism development in the country. We believe that in the immediate future, tourism is the alternate industry to declining log exports. In the light of this, the NCRA Government will aggressively pursue the development of the tourism industry by vigorous coordination and collaboration with all stakeholders critical to the positive development of the sector. The NCRA Government will:

- a) Give fiscal incentives, particularly targeting eco-tourism in both rural and urban centres;
- b) Encourage private sector development with assistance from development partners;
- c) Secure land for tourism investment with landowners and urban businesses in collaboration with provincial authorities;
- d) Promote capacity building and training for service providers in the tourism sector ;
- e) Reform the promotion and marketing strategies of Solomon Islands as a Tourist Destination.

#### **5.1.10 Centralised National Information Database**

NCRA Government will enhance institutional collaboration and develop new process of engagement and information sharing with relevant stakeholders.

#### **5.1.11 Land**

NCRA will take stock of availability of land and embark on site development to facilitate implementation of national projects, including economic growth centres, small holders and rural economic communities.

## **PART 6. SERVICE SECTOR**

### **6.1 Utilities**

The NCRA Government will address weaknesses in the Solomon Islands Electricity Authority (SIEA), the Solomon Islands Water Authority (SIWA), and the Telecommunication Commission of Solomon Islands (TCSI), and ensure they function effectively and efficiently towards the overall development of the country.

### **6.2 Infrastructure Development**

By virtue of enabling and facilitating an easier trade access both to the domestic, regional as well as lucrative international markets, it is important for Solomon Islands to establish and improve present economic infrastructure development. Efficient, effective and quality infrastructure and support services are important inputs into production and a major determinant of the viability of investments. An urgent review is therefore needed to prioritize most strategically economic infrastructures to facilitate trade and economic development in the following areas:

#### **6.2.1 Road Network**

- a) An urgent review of the road infrastructure is therefore required to establish the need to connect producers to 'Growth Centres'.
- b) The NCRA will build roads to big development investment projects like mining (e.g., Bugotu Nickel/Cobalt; Vangunu Gold and Copper), energy provisions (Paraso Geothermal project); bigger scale agriculture projects (Vangunu Oil Palm; GPPOL Oil Palm).

#### **6.2.2 Port Infrastructure Development**

Urgent review and assessment of Honiara and Noro sea ports to determine their handling capacity, container terminal capacity, efficiency, as well as their strategic locations for bigger development projects.

- a) NCRA Government will establish extra port infrastructure in Suava Bay, Bina Harbour and Graciosa Bay.
- b) The government will conduct an inventory survey on all wharves in the country and assess their present conditions.

#### **6.2.3 Airstrip Development**

The NCRA government will comply with the Civil Aviation safety requirements and tarseal strategic provincial airstrips. Munda airstrip will be upgraded to meet international safety standards as an alternative to Honiara International Airport.

#### **6.2.4 Telecommunications**

The NCRA Government will ensure 85 percent of our people receive telecommunications coverage from all service providers. These include telephone, broadband, and any upcoming product.

## **PART 7. GOVERNANCE**

The NCRA Government recognizes and upholds the principles of good governance and is committed towards ensuring that leadership at all levels of the government reflect the highest standard of conduct and quality decisions affecting the affairs of Solomon Islands. These will include:

- a) Strengthening of Governance Institutions
- b) Strengthening Public Service Recruitment Procedure
- c) Strengthening Auditor General's Office
- d) Strengthening Land Disposal Procedures
- e) Strengthening Public Tendering Procedures
- f) Strengthening of Leadership Code Commission and Ombudsman's Office
- g) Promotion of 'Cross – Agency' and 'One-Stop Agency' Approach
- h) Improved and Efficient Co-ordination of Cabinet Conclusions
- i) Contracting Out of Project Management and Implementation
- j) Efficient and Effective Co ordination of Government Policies
- k) Effective Environmental Governance
- l) Effective control mechanism of the Rural Constituency Development Fund (RCDF)

## **PART 8. SECURITY AND FOREIGN RELATIONS**

The NCRA Government will advance a broadened security agenda and the concepts of pragmatism and constructivism in its foreign relations. We will ensure consistency and predictability in our foreign relations. Our foreign relations and security agenda will complement our economic aspirations.

### **8.1 National Security**

Providing security for all encompasses the notion of broadening the security agenda, given the lack of any external threat or a full scale invasion by another country. The coalition recognizes that fundamental to our national security agenda is the need to provide economic security for all.

### **8.2 Police**

The NCRA Government believes that an efficient and effective Police Force is essential to the security, stability, peace and development of the Nation. The intention is to re-build the capability to maintain law and order. Measures will also be put in place for the improvement and training of the correctional and fire service.

#### **8.2.1 The Discipline Force**

- a) To regain public confidence in the Discipline Force, a review of the Police Constabulary will be undertaken within six (6) months.
- b) The period for police training will be increased from three to six months.
- c) Maintaining a fair and balanced distribution of regional representation in the force is paramount, but this is also subjected to a transparent selection and recruitment procedure.
- d) The NCRA Government also recognizes the importance of developing the Rapid Response Unit (RRU) in order to provide an improved maintenance of law and order.
- e) Immediate steps will also be taken to actively promote Community Policing.
- f) Consider re-arming the Police Close Protection Unit and the Rapid Response Unit in consultation with relevant stakeholders.
- g) Police and Correctional Service personnel living in reasonably decent residence in Honiara and the Provinces.
- h) Modern and professional intelligence service that deals with any disorder, or internal security lapse as well as threats by international criminal networks.
- i) Develop correctional service that meets internationally recognised standards
- j) Ensure a capable and effective Fire Service and related infrastructure.

### **8.3 Diplomatic Missions**

The NCRA Government recognizes that all Solomon Islands overseas Missions need to be reviewed to our advantage. Basically, the review should focus more on trade and investment promotion, while also lobbying to re-create our image in the international scene. Hitherto, new opportunities should also be considered as an option, depending on our affordability and priority.

### **8.4 Foreign Relations**

The NCRA Government foreign relations policy shall be guided by constructive engagement through partnerships based on the philosophy of pragmatism and constructivism. These relations will be based on investment, trade, economic and security considerations.

NCRA Government will develop stronger partnership with its immediate neighbours and regional organisation such as the Pacific Islands Forum, Pacific Community, and subregional grouping such as the Melanesian Spearhead Group. The government will also enhance functional co-operation with traditional friends and development partners, based on historical and common values.

A 'Look North' policy will be encouraged as part of the government's broader foreign policy outlook.

## **8.5 Trade**

International trade is the national focal point for Solomon Islands economy in terms of trade and external relations. As such, the country's foreign trade policy need to be reviewed and directed more towards increasing the country's exports through trade promotion by utilizing its membership in regional and international trade bodies and organizations.

Trade policy should also be brought into the mainstream by its inclusion in both the mid-term development strategy and the National Development Plan.

### **8.5.1 Trade Policy and Promotions**

- a) More emphasis will be built into the trade policy so as to facilitate the participation of Solomon Islands' companies in trade fairs, exhibitions and trade missions so as to allow effective co-ordination of import and export procedures. This would entail making full utilization of the present trade agreements and arrangements with respective organizations and institutions. The review should link more activities and promotions on local products and investment opportunities by respective diplomatic missions overseas.
- b) An urgent approach to promoting this would be to open a trade links between Solomon Islands and Port Vila and Bougainville under the ambits of the Melanesian Spearhead Group (MSG) in the area of transportation, agricultural produce, local handicrafts, sawn timber and fisheries.

### **8.5.2 Labour Mobility**

The NCRA Government will enhance the 'Temporary Movement of National Persons' program through bi-lateral, regional and multilateral arrangements.

## **8.6 Regional Assistance Mission to Solomon Islands**

The Government recognises that the nation has moved from the situation of assistance to that of partnership. In this regard the NCRA Government will work with Member Countries of the Participating Islands Forum to implement the partnership Framework between SIG and RAMSI. In addition it will study the recommendations of the Parliamentary Standing Committee on Foreign Relations Review Report on RAMSI. Furthermore, RAMSI should concentrate on rebuilding of the RSIP and the implementation of the capability program including training, logistics, and police housing in Honiara, other urban centres and the rural areas.

## **PART 9. SOCIAL SECTOR**

### **9.1 Education**

The building of our nation's human resources through the education of its young population is of paramount importance in building our nation. It stands to reason that an economic growth is significantly boosted through an educated and skilled population labour force. Socially, economically and politically, NCRA will continue to work towards ensuring reasonable access for each child or youth to schooling. These include:

- a) NCRA will endeavour to improve and increase access for children to basic education, enabling them to achieve their fullest potential. Particular focus will be on the rural areas.
- b) NCRA will convert SICHE into a National University.
- c) NCRA will encourage the establishment of a technical college.
- d) NCRA will also place emphasis on national Technical and Vocational training for the rural population as a means by which a skilled and semi-skilled labour force can be created for the advancement of Economic Growth Centres in the rural constituencies as well as urban service development areas.

### **9.2 Health**

Access to proper health care is the right of every citizen. NCRA upholds the conviction that a **'healthy people make a healthy nation'**. To revitalize the health sector, NCRA will improve basic Health Services and to engage in:

- a) Establishment of mini hospitals in the Constituencies and establish government funding for such essential service.
- b) Work towards the general acceptance of the Primary Health Care Program to achieve the global aim of "Health for All" by year 2015.
- c) The NCRA government will explore avenues of improving tertiary health care.
- d) The Coalition will relocate the National Referral Hospital to a more appropriate location.

## **PART 10. CIVIC AFFAIRS**

### **10.1 Home Affairs**

The NCRA Government places emphasis on a cordial working relationship with both Solomon Islands Christian Association (SICA) and the Solomon Islands Full Gospel Association (SIFGA).

NCRA will centrally coordinate all activities of NGOs from the Ministry of Home Affairs to ensure accountability and transparency.

### **10.2 Reconciliation & Peace**

The NCRA Government continues to facilitate healing amongst our people with a view to enacting the 'Forgiveness Bill' to complement the task of the Truth and Reconciliation Commission, thereby consolidating the country's healing and peace process.

### **10.3 Gender Equity**

The NCRA Government recognises the importance of gender equity and shall ensure equal participation in the country's development.

#### **10.3.1 Gender Development**

- a) The NCRA Government recognizes that policy consideration for gender balance will focus in increasing institutional strengthening and capacity building in Gender Development through Urban and Rural Development initiatives.
- b) The NCRA Government further recognizes the importance to review legislative provisions to modify the legal basis for the promotion and advancement of women.
- c) Provisions in reviewing the present women organisations like the National Council of Women (NCW) and the Young Women Christian Association (YWCA) will be pursued to be more proactive in initiating development programs that will directly benefit women. Greater emphasis will also be directed at developing and promoting church oriented women's groups like the "Mothers Union", "Dorcas Welfare Society", and other similar women organizations so as to direct the focus more on women helping themselves.

### **10.4 Youth Development**

The NCRA Government will also strength established youth organizations (i.e. Boys Scout, Girls Scout and Church Youth Groups) through institutional strengthening and capacity building in close collaboration with NGO's, Churches and appropriate government bodies. This would also include the promotion of recreational facilities like sports. Emphasis will also be directed at encouraging the various sporting bodies in the country to organize sporting and other related cultural activities and competition. The National Youth Congress will be revived and the role of the Commonwealth Youth Programme to Solomon Islands will also be reviewed.

### **10.5 Family Development**

Family is the foundation of all societies, the world over. It is basic to all communities, villages, and tribes. At present, the institution of the family is buffeted from all quarters. Since independence, successive governments have addressed all issues except the family.

The NCRA government is determined to make a difference. It will address the family as Solomon Islanders understand it - in its different dimensions according to their diverse cultures and traditions. Even Women, Youth and Children must be contextualized within the overarching theme of the family.

#### **10.6 Traditional Leadership**

The NCRA recognises the important role of traditional leaders and chiefs in society. And therefore will strengthen the role of chiefs in settling disputes, and consider introducing a Tribal Land Dispute Resolution Panels Bill.

#### **10.7 Sports**

The NCRA Government shall strengthen the operation of the National Sports Council to regulate all sports and to ensure effective sports development in the country.

In recognition of the importance of sports in national unity and development, the Government shall build a National Stadium and establish a National Sports Institute.

## **PART 11. SOURCE OF FUNDS**

The NCRA Government acknowledges the cost involved in fully implementing its policy intentions. For this reason the Government shall enter into meaningful partnerships with both bilateral and multilateral donors to pay for this investment in order to maximize the benefits to the people of Solomon Islands.

## **ACKNOWLEDGEMENT**

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- (i) The Reform Democratic Party – Leader-Hon. Prime Minister – Danny Philip
- (ii) The Independent MPS-Leader-Hon. Deputy Prime Minister-Manasseh Maelanga
- (iii) The Solomon Islands’ Party for Rural Advancement-Leader-Hon. Minister of Finance- Gordon Darcy Lilo
- (iv) The Independent Democratic Party-Leader-Hon. Minister of Planning and Aid Coordination- Snyder Rini
- (v) The Direct Development Party- Leader-Hon. Minister of Education – Dickson Ha’amori
- (vi) The Rural and Urban Political Party-Leader-Hon. Minister of Culture and Tourism-Samuel Manetoali
- (vii) Our Party-Leader-Hon. Minister of Foreign Affairs-Peter Shanel

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