

COOPERATION AGREEMENT FOR PROJECT

**REGIONAL RESOURCE CIRCULATION
AND RECYCLING NETWORK – SCOPING STUDY**

BETWEEN

Pacific Region Infrastructure Facility (PRIF)



AND

Secretariat of the
Pacific Regional Environment Programme (SPREP)



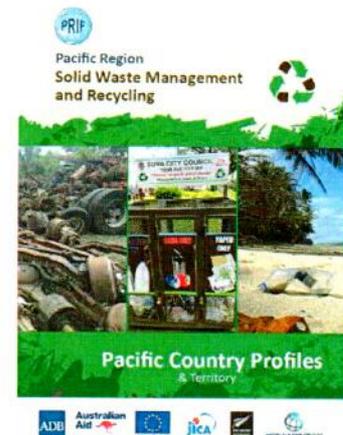
2019

1. Purpose

The purpose of this Agreement is to outline the framework of a working relationship between the participating entities: Secretariat of the Pacific Regional Environment Programme (SPREP) and the Pacific Region Infrastructure Facility (PRIF), hereinafter referred to as the "Partners". PRIF will be represented by the PRIF Coordination Office (PCO), a multi-donor, regional Technical Assistance, Research and Coordination program administered by the Asian Development Bank.

This Agreement represents a shared understanding between the Partners, indicating an intended common line of action. It is built on goodwill to define a cooperative relationship but does not constitute a legal contract.

This Cooperation Agreement also builds on a previous collaboration for the research phase of the study, conducted in 2017 and 2018, which reviewed ways to strengthen current regional sustainable resource circulation. The study proposed a Regional Recycling Network in several Pacific island countries (PICs), to improve economic impact and reduce health and environmental risks in PICs, in collaboration with other relevant stakeholders.



The report Pacific Region Solid Waste Management and Recycling – Pacific Country and Territory Profiles was published in 2018.

2. Partners to the Agreement

The Secretariat of the Pacific Regional Environment Programme (SPREP) has been charged by the governments and administrations of the Pacific region with the protection and sustainable development of the region's environment. SPREP is based in Apia, Samoa, with over 90 staff. SPREP's members are American Samoa, Australia, Commonwealth of the Northern Mariana Islands, Cook Islands, Federated States of Micronesia, Fiji, France, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, United Kingdom, United States of America, Vanuatu and Wallis and Futuna. SPREP's activities are guided by its Strategic Action Plan, developed through extensive consultation with Members, Secretariat programme staff and partner organisations.

PRIF, established in 2008 as a Coordination, research and Technical Assistance facility, includes the following international development agency members: Asian Development Bank (ADB), Australia's Department of Foreign Affairs and Trade (DFAT), Japan International Cooperation Agency (JICA), European Investment Bank (EIB), European Union (EU), New Zealand Ministry of Foreign Affairs and Trade (NZMFAT), US State Department and World Bank Group. All have active development programs in the Pacific region, supporting governments and civil society in developing economic and social infrastructure through aid and investment facilities.

The PRIF Coordination Office manages projects of mutual interest to the PRIF members for the 13 countries in which PRIF operates: Cook Islands, Federated States of Micronesia (FSM), Fiji, Kiribati, Nauru, Niue, Palau, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. PRIF convenes several technical Sector Working Groups (SWGs), comprising agency specialists, covering infrastructure sectors in which PRIF members provide support: energy, information and communications technology (ICT), transport (including aviation, maritime and roads), urban development, water and sanitation. The PRIF Urban Development SWG is the primary focus group for this research project.

3. Background

Pacific island countries (PICs) are facing critical challenges in managing increasing and diversifying wastes due to changing lifestyle and concentration of the population in urban areas. While the basic issues are universal, the challenges arise because they are magnified by characteristics of PICs such as geographical

isolation (islands spread across the vast ocean, difficult access), limited land space (small islands/atolls, small populations), remoteness (far from international recycling markets) and dependency (imported goods and foreign aid). PICs typically have small populations and are highly prone to natural disasters. They are equally vulnerable to the impacts of climate change such as sea-level rise. As a consequence, PICs have unique issues to confront when dealing with integrated waste management. These include low waste generation rates, limited land availability for waste disposal, often limited technical and financial capacity to manage waste issues, special economic structure, and uneconomical recycling operations. PICs also have waste streams that are becoming increasingly important pervasive problems, such as plastic, E-waste, bulky waste, end of life vehicles, and health-care waste, which also contribute to problems with marine debris and impact on the natural environment including coral reefs, mangroves, fisheries, seabirds and marine mammals.

A survey carried out by JICA in 2013 noted that there were few established waste policies in the PICs, and the predominance of imports (including used vehicles, and appliances) contributed to the buildup of solid waste. On the other hand it noted that connections could be made on existing shipping lanes to countries where buyers of recyclable waste products were established, and that the differential in freight rates between incoming and outgoing cargo was also conducive to increasing out shipping of solid waste.

“Responsible consumption and production” is one of the Sustainable Development Goals (SDGs) (Goal 12). Related to this, SIDS-specific waste management highlights 3R (Reduce, Reuse and Recycle) + Return in order to secure resource recovery and to reduce risks health, environment, and conserving land, and has been adopted in SPREP’s regional waste management and pollution control strategy 2016-2025.

4. Link to latest Regional Development Plans and Strategies

The study is in line with the SDGs, S.A.M.O.A pathway, and Cleaner Pacific 2025 (the regional waste management & pollution control strategy 2016–2025, SPREP). PICs also emphasise the waste minimization initiative through 3Rs, Private-Public Partnerships (PPP) and awareness, which are described in their policy/strategy documents including the respective National Development and Infrastructure Plans.

5. Link to Donors' Country Partnership Strategies/Regional Cooperation

SPREP is the implementing agency for the European Union (EU) funded PacWaste Plus project. The 16.5m euro funding builds on the work undertaken by PacWaste, to focus on asbestos, healthcare waste, E-Waste and other aspects of solid waste management and waste water. PacWaste Plus covers 14 PICs and Timor Leste.

The JICA funded JPRISM II project (USD 15m over 5 years) covers 9 PICs. Four focal areas are:

- Human capacity for solid waste management is strengthened through capacity needs assessment and training
- Monitoring and Evaluation process well defined
- Resource recovery through enhanced recycling processes
- Disaster waste management capacity enhanced

In addition, SPREP established the Clean Pacific Roundtable on waste management and pollution control in the region, with meetings in 2016 and 2018. See: <https://www.sprep.org/clean-pacific-roundtable-2018>

Other regional initiatives are summarized in Annex 1.

6. Objectives of the Scoping Study - Regional Recycling Network – for the Eastern Pacific Region

The Scoping Study will establish the viability of the recycling network in the Eastern Region using Suva as the Regional Recycling Hub. The project will need development partner investment to construct infrastructure and implement regional institutional capacity and economic development programs to

support the recycling network. The Scoping Study will enable a proof of concept to build PIC, private sector and donor confidence. The regional recycling network will aim to transform a linear economy to a circular economy which relies on extensive community engagement and behaviour change, with the development of public private partnerships.

7. Project Scope

The first phase of the Scoping Study will include a systematic and comprehensive waste audit program on representative samples using a consistent method and approach initially throughout the eastern Pacific region to inform accurate data sets on which to model the inputs and outputs of national and regional recycling systems. The countries proposed include: Fiji, Samoa, Tonga, Cook Islands, Tuvalu (Vanuatu and Solomon Islands are the subject of similar audits funded by UK). Kiribati and Niue are considered for inclusion as resources permit. This activity must be coordinated and integrated with other parallel initiatives, such as those summarized in Annex 1.

The second phase will include an institutional capacity assessment to inform the business case development. Reliable analysis of institutional capacity at both regional and country level is required, plus assembly of current and accurate data sets in each of the PICs. An institutional capacity assessment is recommended in order to identify the current resourcing and governance capabilities within each of the PICs to be undertaken initially in the eastern region.

The third phase will focus on the establishment of a processing/recycling/transshipment hub located in Suva, with suitably scaled urban centres located in the other PICs participating in the network. Suva's current international container terminal is en-route to the closed Lami landfill site adjacent to Rokobili and the current Naboro landfill, which is the largest engineered landfill site of all the PICs represented in the PRIF study.

8. Implementation of Study

The executing agency is the PRIF Coordination Office. A Technical Implementation Committee (TIC) will provide high level oversight and guidance to the project. The TIC will comprise representatives from the PRIF Coordination Office, SPREP, World Bank, J-PRISM (JICA), EU and others.

The Project Manager and TIC Chairperson is Jack Whelan, PRIF Coordination Office. Anne Prince, Team Leader, will be the primary communication point for the project and will provide fortnightly project status reports to the Project Manager. The reports will detail the:

- Progress against the time lined actions and milestones in the project plan
- Actions scheduled for the coming fortnight;
- Recommended approaches to managing emerging issues and risks;
- Specific information or additional assistance required.

The TIC forums will provide an opportunity for the Consultants and TIC to discuss additional detail and rationale for the project deliverables and will provide TIC with an opportunity to provide direct guidance to the project team.

9. Goals and Principles of Partnership

The Partners agree to work together to implement the Scoping Study - Regional Recycling Network – for the Eastern Pacific Region, taking account of ensuring application and sustainability of the exercise as far is reasonable.

The Partners are guided by the following principles:

Commitment and Cooperation

Parties to this agreement are committed to cooperation in partnership, recognising the benefits and value of working together, based on mutual respect, acknowledging the different complementary roles and responsibilities that are aimed at achieving desired outcomes.

Information Sharing

The Partners agree to a timely and transparent sharing of information relevant to the project. This includes working within agreed time frames.

Sustainability

The Partners agree that sustainability is a key issue in research work and, whilst no undertaking can be made by PRIF to fund a project to implement this work, the Partners will work to ensure the research can have practical application.

Acknowledgement

The participation of the Partners to this Agreement will be suitably acknowledged in reports prepared under this project.

10. Roles and Responsibilities

The Partners agree to participate by providing leadership and participation in the Technical Implementation Committee. Each participating organisation will cover the costs associated with participation of its staff or representatives.

Activities will include the following:

- review the draft reports and project materials for the project to ensure a common understanding of objectives, scope, conclusions and recommendations
- review and provide comment on the deliverables from the PRIF consultants
- meet two or three times during the project implementation (also via teleconference or videoconference) – to review the main deliverables of the consultants or to participate in a briefing provided by the consultants for the PRIF Urban Development SWG, and
- participate in any workshops with PRIF members and Urban Development SWG members (if possible).

11. Impact of Project

This proposal recommends a scoping study to determine the feasibility of recycling network to be planned and implemented in one Pacific sub-region - in order to prove viability and sustainability. This would require the establishment of a regional processing, transshipment and recycling hub, suitable urban centre facilities, and scaled outer island storage facilities in each of the PICs associated with the regional hub.

Within the context of this proposal, the PRIF report recommends the Eastern region with a Fiji-based regional recycling hub, located in Suva. This proposal is based on an assessment of port facilities, capacity, shipping networks and other economic aspects. Under the pilot program, Suva would receive a selected range of recycled waste materials (RWM) from Tonga, Samoa, Tuvalu, Cook Islands, Kiribati, Niue and Vanuatu to supply current/future remanufacturing enterprises, and to aggregate and add value to shipments of recyclables to other destinations.

12. Process and Governance

Executing Agency

The executing agency is the PRIF Coordination Office which manages the project on behalf of the PRIF members.

Technical Implementation Committee

A Technical Implementation Committee will be established in accordance with this Agreement.

Implementation Schedule

It is expected that the project will be completed by February 2020.

Confidentiality

As a principle, participation in this project requires that all parties acknowledge that the information collected and provided is the property of PRIF. It is provided on the basis that confidentiality will be maintained and none of the Partners to this Agreement will use the information for any purpose other than participation in the Technical Implementation Committee without obtaining written approval from the Secretariat Manager, PRIF Coordination Office.

Gender issues

Gender issues should be identified and incorporated in this project as appropriate and in accordance with requirements of the PRIF members. Please note the PRIF 2016 Review of Gender in Infrastructure in the Pacific, available via the PRIF web site.

13. Acronyms used in this agreement document

ADB = Asian Development Bank

CDL = Container Deposit Legislation

CSR = Corporate Social Responsibility

DFAT = Australian Department of Foreign Affairs and Trade

EIB = European Investment Bank

ELV = End of Life Vehicles

EU = European Union

eWastes = electronic wastes

EPR = Extended Producer Responsibility

IFC = International Finance Corporation

FSM = Federated States of Micronesia

JICA = Japan International Cooperation Agency

J-PRISM = Project for Promotion of Regional Initiative Solid Waste Management, Japan

NGO = Non-Government Organisation

NZMFAT = New Zealand Ministry of Foreign Affairs and Trade

PIC = Pacific island countries

PPPs = public private partnerships

PRIF = Pacific Region Infrastructure Facility

SPREP = Secretariat of the Pacific Regional Environment Programme

SWG = PRIF Sector Working Group

TIC = Technical Implementation Committee

UN = United Nations

Annex 1. Brief stock-take of relevant regional initiatives

Australia

Australian Department of Industry Innovation and Science (DIIS) – participates in the Marine Resources Conservation Working Group of Asia Pacific Economic Cooperation (APEC), which is currently examining waste management infrastructure development experiences in the region. Australia also leads an APEC project *Understanding the Economic Benefits and Costs of Controlling Marine Debris in the APEC Region*.

Australia is developing a proposal with SPREP for an investment over four years to support coordination and implementation of the Pacific Marine Litter Action Plan. The investment aims to reduce the availability of single use plastics and change the behaviour of industry and consumers to reduce, reuse and recycle. The project would complement existing projects and support SPREP in coordinating marine plastic pollution work in a holistic manner—including for example enabling linkages with broader waste management programs and other anti-pollution initiatives.

New Zealand

LGNZ (Local Government New Zealand) is contracted to NZMFAT to provide technical assistance to Pacific Island countries. This programme provides technical assistance to institutions that are engaged in the same activities as local government hence the name 'PacificTA'. PacificTA helps local Pacific Island managers to run public services such as environmental management (eg water and air quality) infrastructure and asset management, town planning, transport planning, and public health and safety programmes such as dog control and disaster management.

Current activities include working with the councils and central government agencies in Kiribati on waste management services (including Betio Town council and Teinainano Urban Council). In Cook Islands, support is provided on landfill management in Rarotonga, including advice on the need for compaction to extend landfill life. Pacific TA also provides support for Port Vila Municipal Council (Vanuatu) on HR, financial management, IT, waterfront maintenance, library support and other institutional support in Kiribati, e.g. HR, financial management, dog control (Kiribati).

The Cook Islands and Tarawa landfills are creating particular challenges. Rarotonga is near end of life with significant challenges in getting land for another landfill and Tarawa has 3 landfills that are climate exposed. MFAT is interested in any alternatives PRIF is looking into to address landfill sustainability in the Pacific. www.lgnz.co.nz/pacificta

Niue Waste Recovery

New Zealand MFAT is working with the Niue's Project Management and Coordination Unit to implement a national waste management Activity focused on the capture and reuse of recyclable materials. This 3-year, NZ\$3.2m project is funded by DFAT and administered by MFAT under a delegated cooperation agreement. The project involves design and construction of a recyclables sorting facility, development of an operations plan, educational awareness campaign and legislation to ensure economic incentives for recovery of recyclables.

Kiribati Ferrous Waste - Collection, Processing and Export

New Zealand MFAT and the Government of Kiribati have established a Partnership Framework on Sustainable Solid Waste Management. An initial Activity under this framework aims to collect, process and export the scrap ferrous waste materials, including over 1,000 vehicle bodies, found both in existing stockpiles and from within and around villages on Kiritimati Island and South Tarawa. An ongoing collection service is also envisioned. A Request for Proposals is expected to be issued in Q4 2018.

European Union (EU) PacWaste Plus

SPREP is the implementing agency for this EU funded project. EURO 16.5m funding builds on the work undertaken by PacWaste, to focus on asbestos, healthcare waste, E-Waste and other aspects of solid waste management and waste water. PacWaste Plus covers 14 PICS and Timor Leste.

Japan International Cooperation Agency (JICA) JPRISM II

JICA funded project of USD 15m over 5 years covering 9 PICS. Four focal areas are:

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International Union for the Conservation of Nature (IUCN)

The IUCN 'Plastic Waste Free Islands' project "STOPP Plastics" (Source-to-Ocean Plastic Pollution) project.

Objective: Driving islands' circular economy and eliminate plastic leakage from Islands and Small Island Developing States (SIDS). IUCN is seeking waste data in 3 countries in the Pacific (from amongst Fiji, Kiribati, Palau, RMI, Samoa, and Vanuatu), for material flow analysis and quantification of leakage. Formal documentation has yet to be signed. To involve addressing plastics leakage into ecosystems through the waste management, tourism, and fisheries sectors through three prospective PICs. Will coordinate with South Pacific Tourism Organisation (SPTO) and the Forum Fisheries Agency (FFA) in the tourism and fisheries sectors.

United Kingdom – Commonwealth Litter Programme (CLiP)

CLiP is being delivered by UK Centre for Environment Fisheries and Aquaculture Science (Cefas). Funded by Defra, the programme will support six developing countries across the Commonwealth to develop national litter action plans focusing on plastics entering the oceans. Cefas is the UK's largest applied marine science organisation. It shapes and implements policies through scientific and collaborative relationships that span the EU, UK government, non-governmental organisations, research centres and industry. Defra funds the Commonwealth Marine Litter Programme (CLiP), led by the UK through Cefas. The programme is starting in the South Pacific Region, working with Vanuatu and the Solomon Islands and continued in the South Pacific, Caribbean, Asia and Africa.

The programme contributes to the UK meeting its responsibilities under the Commonwealth Blue Charter, which calls for Commonwealth countries to drive action and share expertise on issues affecting the world's oceans, including marine litter. CLIP will contribute to delivering the objectives under the UK and Vanuatu-led Commonwealth Clean Oceans Alliance (CCOA), which calls on other countries to pledge action on plastics to eliminate avoidable plastic waste.

CLiP forms part of the £61.4m package of funding announced by the Prime Minister during the Commonwealth Heads of Government Meeting (CHOGM) Summit in April 2018. CLiP forms one strand of this Official Development Assistance (ODA) package and will complement additional activities, specifically those related to marine litter and waste management, by other UK government departments. Work streams will be co-ordinated to maximise outputs across the Commonwealth.

UNEP and GEF ISLANDS GEF 7 Programme

Planning a regional GEF 7 project with SPREP, expected to commence in 2019. Looking at hazardous waste management, such as used oil, POPs, E-waste and mercury, in the 14 Pacific SIDS.

- The new GEF7 replenishment cycle is expected to help transform SIDS management of chemicals and waste over the next 5 years
- Funding falls under the Chemicals and Waste focal area
- Top priority – an integrated (regional) programme on waste management linked to Stockholm and Minamata Conventions in SIDS
- \$US 20 -25M expected to be available to 14 PICs, commencing 2019

Global Green Growth Institute (GGGI)

Francis Mani, who is based at USP, is currently engaged by GGGI on behalf of the Fiji Ministry of Economy (Climate Change Division) to address the Low Emission Development Strategy drafting process for the Waste Sector.

Swire Shipping (China Navigation Co.) – This international shipping line has signed an MoU with SPREP to provide reverse logistics to re-export non-commercial waste materials from Pacific Island Countries and Territories (PICTs) under the *Moana Taka Partnership* programme. It is currently responsible for arrangements being made to remove waste oil from the Marshall Islands under IUCN ORO's EESLI programme, and other businesses and organizations are now utilizing this service opportunity.

COOPERATION AGREEMENT FOR PROJECT: REGIONAL RESOURCE CIRCULATION AND RECYCLING NETWORK – SCOPING STUDY 2019

The Partners to this Agreement acknowledge the above and will support the PRIF Consultants as needed.

Signed:



19 December, 2018

for Mr Kosi Latu, Director General,
Pacific Regional Environment Programme (SPREP)

Date



1 Feb 2019

Mr Michel Dorval, Technical Manager
Pacific Region Infrastructure Facility (PRIF)

Date

