



PACIFIC REGION INFRASTRUCTURE FACILITY

*A partnership for better infrastructure
services in Pacific Island Countries*

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PRIF CHARTER

2015

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Abbreviations and acronyms

ADB - Asian Development Bank
DFAT – Australian Aid, Department of Foreign Affairs and Trade
EU - European Union
EIB - European Investment Bank
JICA - Japan International Cooperation Agency
NZMFAT - New Zealand Ministry of Foreign Affairs and Trade
PCO – PRIF Coordination Office
PICs – Pacific Island Countries
PMC – PRIF Management Committee
PRIF – Pacific Region Infrastructure Facility
SMT – Senior Management Team
WBG - World Bank Group, including International Finance Corporation



A. Purpose of Charter

1. This Charter explains what it means to be a Member of the Pacific Region Infrastructure Facility (PRIF). Members of the PRIF commit to cooperate in line with a set of principles and agree to collaborate in accordance with a number of governance and operational procedures included in this Charter.

B. PRIF Mechanism

2. Established in 2008, the PRIF is a multi-agency coordination mechanism aimed at improving the delivery of development assistance from its Members to the infrastructure¹ sector in the Pacific region.
3. PRIF provides an institutional and procedural framework to enable its Members to improve development effectiveness and donor coordination in the Pacific aligned with the *Cairns Compact on Strengthening Development Coordination in the Pacific 2009 (Forum Compact)*, the *Paris Declaration on Aid Effectiveness 2005* and the *Accra Agenda for Action 2008*. It is recognised that PRIF is distinguished from other coordination mechanisms because it has dedicated resources for a Coordination Office, a Technical Assistance and research fund, to help promote coordination. This collaborative approach enables PRIF Members to better address the economic infrastructure needs of Pacific Island Countries.

C. PRIF Aims

4. PRIF aims to:
 - Streamline Pacific Island Country access to technical and capacity building assistance and to funding for infrastructure;
 - Improve the quality of infrastructure investments in Pacific Island Countries, for example to enhance sustainability with measures to support recurrent infrastructure maintenance.
 - Strengthen capacity within Pacific Island Countries to plan, manage and maintain infrastructure for sustainable and improved delivery of services.
5. PRIF Members work together to:
 - Ensure that Member-supported activities complement and do not duplicate one another.
 - Reduce transaction costs between PRIF Members and Pacific Island Countries;
 - Provide more predictable and longer-term financing through long term partnerships;
 - Integrate available infrastructure financing;
 - Improve coordination with other providers of infrastructure assistance, including the private sector;
 - Design infrastructure project investments to maximise positive and sustainable economic, social and environmental impacts.

¹ The PRIF focus on economic infrastructure reflects the high priority attached to the major sectoral drivers of utilities and services, including energy, transportation (road, aviation, maritime), telecommunications, water, sanitation and waste, while recognising the growing importance of environmental infrastructure, such as coastal protection, drainage and flood control, and the broader impacts, links and interactions with social infrastructure for health and education services, housing and government administration.

D. PRIF Principles

6. PRIF Members subscribe to the following principles and agree to follow a set of governance and operational procedures aimed at facilitating greater coordination between Members.

i.	Long-term engagement with Pacific Island Countries that provides access to technical expertise and funding for sustained improvements in infrastructure services
ii.	Country-responsive prioritisation of infrastructure sector support based on local capacity through country led planning and priority setting
iii.	Sector-based approaches to infrastructure planning, budgeting and priority setting led by Pacific Island Countries
iv.	Support for appropriate institutional and regulatory structures
v.	A strengthened role for the private sector in infrastructure service delivery and, where appropriate, encouraging local employment
vi.	Support for the use of appropriate technology that considers whole-life costing and sustainability and accords with the climate change agenda
vii.	Support for harmonisation amongst the Members and Pacific Island Countries to increase the effectiveness of aid
viii.	Support for the establishment of performance incentive arrangements to improve infrastructure service outcomes

E. PRIF Institutional Status

7. PRIF is not a legal entity and Members retain responsibility for planning and administering their respective infrastructure budgets. The PRIF mechanism is supported by a PRIF Coordination Office (PCO) which implements an agreed work plan, including the provision of secretariat support to PRIF governance, meetings, oversight of a small Technical Assistance fund and delivery of agreed research and communication priorities. The PCO reports to the PRIF Members and is administered on their behalf by the Asian Development Bank.

F. PRIF Membership

8. Membership comprises development agencies active in the Pacific which are willing to subscribe to the PRIF principles, and are committed to increasing the quality and effectiveness of infrastructure assistance in the region. Members have, or are planning, significant programs of assistance in the economic infrastructure sector, specifically in the areas of transport (road, aviation, maritime); energy; telecommunications; water and sanitation; and solid waste management. Such work also incorporates a number of cross-cutting issues such as climate change, private sector participation, gender and urban development.

9. Current PRIF Members:

- Asian Development Bank (ADB)
- Australian Aid, Department of Foreign Affairs and Trade (DFAT)
- European Union (EU) and the European Investment Bank (EIB)
- Japan International Cooperation Agency (JICA)
- New Zealand Ministry of Foreign Affairs and Trade (NZMFAT)
- World Bank Group (WBG) including International Finance Corporation (IFC)

10. Admission of new PRIF Members.
New PRIF Members must be approved by PRIF's Senior Management Team (SMT). The SMT can invite prospective Members to participate with observer status until they are ready to assume full Membership. Development agencies seeking Membership to PRIF will be asked to indicate in writing to the SMT, via the PRIF Coordination Office, their agreement to operate in line with the principles and governance procedures provided in this Charter.

G. PRIF Country focus

11. PRIF coordination efforts currently focus on 13 Pacific Island Countries – Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, Niue, Palau, Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. Other Pacific Island Countries may be considered for inclusion in the future.

H. PRIF Governance

12. The PRIF Members support the following governance arrangements:
- **Senior Management Team (SMT)**, comprising high level representatives of Members responsible for the overall oversight of the mechanism. The SMT meets once per year.
 - **PRIF Management Committee (PMC)**, comprising management level representatives of the Members, which is responsible for agreeing the PRIF workplan and setting the agenda for the annual SMT. The PMC meets at least four times per year.
 - **PRIF Sector Lead Coordinators and Deputy Lead Coordinators**, comprising senior sector specialists from the PRIF Members across a number of sub-sectors (such as energy, ICT, transport, urban development and water/sanitation) who will be responsible for advocating coherent, coordinated responses to priority and emerging sub-sector development challenges in the Pacific region. Lead Coordinators will be responsible for convening at least two sector working group meetings per year.
 - **PRIF Coordination Office (PCO)**, established by the PRIF Members, and hosted by the ADB's Sydney Office. In addition to its primary coordination role, the PCO will have dedicated resources to provide short term Technical Assistance services in response to requests from Pacific Island Country governments and from PRIF Members, where these requests align with agreed PRIF work plan priorities.
13. The quarterly PMC meetings enable PRIF Members to:
- Discuss strategic policy issues affecting the quality and quantity of economic infrastructure assets in the region;
 - Map current and planned infrastructure programs in the Pacific;
 - Inform each other's infrastructure programs through the sharing of sector analysis and project documentation;
 - Identify opportunities for joint work including policy work and financing of programs; and
 - Review and approve the work plan of the PCO.
14. The annual SMT meeting focuses on high level policy and priority setting, and review of PRIF outcomes.

I. PRIF Governance and operational procedures

PRIF Members agree to adhere to the following governance and operational procedures.

i.	Observe the PRIF principles.
ii.	Provide a senior representative to participate in the annual meeting of the SMT. Note: The Chair of SMT meetings will rotate amongst the PRIF Members on an annual basis.
iii.	Provide a representative at managerial level to participate in the quarterly meetings of the PMC who is to be the focal point for all PRIF-related communications. Note: The Chair of PMC meetings will rotate amongst the Members on an annual basis.
iv.	Put forward recommended personnel to be the Sector Lead Coordinators (energy, telecommunications, transport, water/sanitation, urban development). Note: The Sector Lead Coordinators will rotate amongst the PRIF Members on an annual basis.
v.	Support the development and implementation of Government-led National Infrastructure Sector Plans to guide investment in economic infrastructure.
vi.	In the interests of reducing the burdens on Pacific Island Countries, coordinate missions to countries wherever possible.
vii.	Provide activity descriptions for new activities/phases of activities for circulation to PRIF members using the Activity Description Template for PRIF Activities.
viii.	Where there is interest by other PRIF Members, allow participation in respective quality assurance processes for individual infrastructure activities.
ix.	In the interests of information sharing, circulate relevant documents to PRIF Members (e.g. pipeline project concept notes, aide memoires, etc). The PCO will treat all materials as confidential, and would only share/circulate such documentation with the prior approval of the relevant PRIF Member(s).
x.	As part of the PRIF communications protocols, consult with other PRIF Members co-financing a project prior to the publication of any project related external communication materials (e.g. media releases, brochures, etc).