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NEW CALEDONIA STUDY TOUR REPORT



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1. Introduction : History & Context

As an overseas “collectivity” of France, New Caledonia appears to offer its visitors the best of Europe and the Pacific. With its 256,000 inhabitants a mix of indigenous people (Kanak), those of European descent (Metropolitan French), Polynesians (mostly Wallisians), and Southeast Asian people, the locals describe themselves as a “melting pot”. However, when pressed further are unable to articulate more clearly what it means to be a New Caledonian.

One thing is clear - the archipelago is currently undergoing a period of transition. Its unique constitutional arrangement is laid out in the Noumea Accord, which was signed in 1998, and is the successor to the 1988 Matignon Accords. These followed a period of civil unrest between pro-independence and loyalist factions.

Since the Noumea Accord was signed in May 1998, there has been a gradual transfer of authority from Paris to Noumea. Economic affairs, industrial relations and external trade were among the first powers New Caledonia assumed in January 2000. A second group of powers was transferred gradually from 2004 to 2014. Between 2014 and 2018 the Congress will have the opportunity to hold up to three referenda. The focus will be on New Caledonia’s future international status, on the transfer of the remaining “core” sovereign responsibilities (foreign affairs, defense, law and order) and on New Caledonian citizenship.

As a study group we have been cognizant of the limited timeframe within which to explore these complex issues. During our meetings with various levels of government, traditional leaders, and private companies we have kept in mind the complex social, cultural and political context of New Caledonia and we have guided our findings using the following key evaluation questions:

1. Is there equality in the proportion of influence (both Kanak and French) in the new system of governance post-Noumea accord?
2. How homogenous are the different Kanak tribes and are these diverse cultures being considered in the emancipation process?
3. Should New Caledonia no longer be able to rely on mining and/or should funding from the French Government be discontinued, what planning is in place for New Caledonia’s economic survival?

2. Key Activities

Day 1	<ul style="list-style-type: none"> • Visit the Customary Senate & Tjibaou Cultural Centre • Offered a Customary Gesture to members of the Customary Senate • Had presentations and discussions
Day 2	<ul style="list-style-type: none"> • Visit to Goura Deva Domain • Offered a Customary Gesture to the traditional leaders representing the tribes at Goura Deva • Had presentations and discussions with the stakeholders involved in the Goura Deva Domain Project • Visited the Sheraton Deva Resort & Spa and had a discussion with the General Manager
Day 3	<ul style="list-style-type: none"> • Visited and had presentations and discussions with representatives of the Southern Provincial Assembly, Noumea City Council, Congress of New Caledonia & Government of New Caledonia • Visited and had a discussion with the representatives of the Agricultural Chamber • Visited and had a presentation with the French High Commissioner to New Caledonia
Day 4	<p>Our visit to the Loyalty Islands was cancelled due to unforeseen circumstances.</p>
Day 5	<ul style="list-style-type: none"> • Visited the Northern Provincial Government and had a presentation and discussion with members of that Province • Visited the nickel processing plant at Koniambo
Day 6	<ul style="list-style-type: none"> • Tour of the industrial zone of Noumea • Visited the biggest and oldest nickel processing plant in the territory, the SLN Doniambo

	<ul style="list-style-type: none"> • Had an informal meeting with the President of the Ensemble Pour La Planete (EPLP) - an environmental advocacy NGO • Visited and had a discussion with the Vice President, lecturers and students at the University of New Caledonia
Day 7	<ul style="list-style-type: none"> • Met with representatives of the New Caledonia Government & and had final discussions

3. Key Observations

3.1 Good Governance

New Caledonia has a unique governance system that combines the territorial and provincial levels of governance that work in collaboration with the French Central Government. There is also a traditional governance system that runs in parallel with the formal governance system. This appears to be complex however their mandates are clearly defined and government services have been decentralized.

The Provincial Elections were held recently in June 2014 following which about 3000 cases were pursued in court concerning the electoral registration process. The President of France will be visiting New Caledonia in November 2014 and will also be considering whether the United Nations should intervene on this as raised by the pro independent political parties

The issue is contentious in terms of the kinds of roles the UN representatives may take as there is a difference in the role of a mediator, facilitator, expert and conciliator and the Government felt that the issue can be dealt with internally. The electoral system is complex because New Caledonia has different electoral rolls for different levels of governance.

In order to ensure transparency in public sector governance, the media is free to report on issues concerning the government. Commissions of Inquiry may also be appointed to investigate allegations of corruption within government administration. The Southern Provincial Assembly is the first to appoint such a Commission of Inquiry.

3.2 Mining & Environment

Nickel mining is New Caledonia's primary export, and consequently drives development. New Caledonia has 25% of the world's nickel resources, however only a small proportion of New Caledonia's nickel outputs is currently being extracted and processed in New Caledonia. The biggest and the oldest processing plant, the SLN Doniambo, is located in the Southern Province

in Noumea. The remaining two plants in the Northern Province have not reached full production capacity. It has been reported that the nickel resources will last for 2 centuries.

Stakeholders in the mining industry include the Provinces, various mining companies, and non-state entities. Mining companies have come to recognize the importance of preserving the environment given the unique flora and fauna of New Caledonia. The Government introduced a mining code in 2009, which replaced a previous code dating from the 1950s. This Code implements and regulates environmental impact assessments. A government nickel fund has been established to preserve the environment and rehabilitate closed mine sites. However, New Caledonia does not have any independent body to assess the quality of environmental surveys, ongoing monitoring or environmental impact statements. The absence of a body to peer-review environmental impact statements inhibits transparency in the sector.

The broader impacts of the resources industry in New Caledonia surround the social consequences of mining on communities. For example, the mining industry in New Caledonia is responsible for eviction factors, that is, when people working in particular professions or societal roles leave their previous roles to join the mining sector. This has been reported to have had ramifications for farming, fishing and education.

3.3 Education

In New Caledonia there is a disparity between levels of educational achievement for different ethnicities as well as different provinces. In particular, there are challenges for indigenous achievement levels, the Polynesian population and Northern province. There has been a considerable effort to improve qualification levels through adapting the pedagogy to include be more culturally responsive and engage parents in their children's learning.

New Caledonia also has a long way to go in terms of basic literacy. During the study tour, we were advised that between 25-30% of the population is illiterate despite education being compulsory until the age of 16. In order to ensure youth do not disengage from society part of the solution is to encourage them into apprenticeships, military service and/or an adapted program called civic service. Civic service is more structured and helps to ensure youth gain skills to enter the workforce. There is also a need to establish training institutions to cater for students who cannot make it to tertiary institutions or as alternative options.

Language is also a barrier in terms of integrating New Caledonia regionally and globally. The relevant authorities recognize this as a challenge and are starting to use English as a mode of instruction at the elementary level and as a course at University. There is still more room for improvement.

The University of New Caledonia (UNC) runs according to the French system. The emancipation process has triggered a conversation regarding which model of education is most appropriate post-2018. Despite being a new university, UNC has made a great effort to establish new

partnerships with other institutions in the Pacific, Asia, North America and Europe. There are no scholarships that target indigenous Kanaks however, they may benefit from scholarships that are available for disadvantaged New Caledonians. This raises questions regarding how the population is being encouraged to pursue a tertiary education. There are also no programs or strategies in place to encourage students to enroll who would have otherwise not considered attending university. The UNC is integrating the Noumea Accord into its Law curriculum, by teaching Customary and Western Law (French & New Caledonian) in parallel.

3.4 Sustainable Development

Tourism

The tourism industry in New Caledonia has a lot of potential however, it is faced with many challenges such as :

- The geographical location hinders access to key markets
- The currency used is equivalent to euros and the exchange rates are high
- Hospitality service industry is not up to global standard
- The industry needs to agree on what the selling point will be for tourism.

The Government has introduced various programs as well as making critical interventions to address these challenges. The Goura Deva Domain is an excellent example of addressing some of the challenges. Others include the Provinces providing funds to the customary land owners to develop their land for tourism.

Agriculture

The land and soil are not conducive for mass agriculture with most areas being quite arid. As a result, 85% of the food is imported and 15% produced locally.

The urban migration has impacted heavily on the sector given most of the youth are now migrating into the city and not working the land. The mining industry has also affected the level of employment in the sector given the attractive remuneration packages as compared to being a farmer. For example, remuneration from mining is approximately eight times of what they could earn from agriculture.

Regional Cooperation

The New Caledonia Chamber of Agriculture has a partnership with Vanuatu to investigate the use of the kava plant as a pesticide to address the problem of ticks that affect cattle. There are also challenges in integrating with the wider Pacific community. For example the import duties charged on products from key markets like Australia and New Zealand is hindering further trade flows with these countries.

3.5 Gender/Youth/Community

New Caledonia has made significant progress in terms of gender equality. In politics, the Parity Law provides for equal representation in the electoral process in all levels of governance. In business and administration however, there is not much representation of women especially at the decision making levels. Women and girls tend to fair well in education. Domestic violence is still a significant issue in the community that needs attention. The customary senate has also been requested to include a women and youth committee to address issues affecting women and youth.

New Caledonia also has a very diverse community with many different ethnic groups and the challenge is on the government to keep all groups unified. Acknowledging this diversity in the dialogue on emancipation is a positive step to defining the common identity of New Caledonia.

Housing is also an issue. The government has provided public housing at lower than market rental rates however, rural urban migration has added more stress to the demand for housing. Squatting is therefore becoming another issue in the city of Noumea.

3.6 Cultural Identity

The risk of losing the Kanak culture has been an issue for New Caledonia and efforts to promote and preserve the Kanak culture and languages is now a priority. The Kanak Charter was enacted on 26 April 2014 and is the most significant document to ensure the retention of Kanak culture. Four (4) of the 29 Kanak Languages are also being taught in the Traditional Language Center.

The Customary Senate is a consultative chamber only and is consulted by the Congress whenever a law is to be enacted that impacts on Kanak culture and identity. Since its establishment, the Congress has followed the recommendations made by the Senate.

Interestingly, the presentations and the customary welcomes we received were in French, never in local dialects. New Caledonian identity was not apparent during the tour and is a complicated issue that could not be explained when questions were raised about it.

3.7 Health & Development

New Caledonia has made significant progress in the health sector. The government has successfully decentralized health services in an effort to equally distribute quality and affordable health to the different regions . Major referral hospitals are built in the North and South Provinces and the government subsidizes health care. The UNC also offers first year medical programs to students with a further opportunity to continue medical studies in France on government sponsorship.

There is a strong emphasis by the government on primary and preventative health care. The provinces also benefit from visiting health specialists and private facilities are available throughout the country. Medical coverage is good where in the Southern Province there are 225 doctors per 5000 people and 128 doctors per 5000 people in the Northern Province. There are also challenges like the increase in non-communicable diseases because of unhealthy imported food like sugary drinks. The cost of health service is also likely to increase into the future.

4. Post-Noumea Accord

The important question now for New Caledonia in the dialogue on emancipation is how it will sustainable itself after the French government transfers all the competencies. The government has plans in place to embark on tax reform initiatives as well as increase its current level of nickel extraction, processing and exports. However, will this be enough?

5. Conclusion

New Caledonia is in a transition period towards full emancipation and the Government has taken the initiative to address its challenges. The biggest development challenge that the Government is faced with however, is to ensure that there is an equal representation of the indigenous Kanaks and different ethnic groups within all levels of governance so that the territory is unified towards a common identity.

This is a process that the group, and the region and world at large, will be observing with great interest.