

Chamber News

Monthly Newsletter of the Solomon Islands Chamber of Commerce and Industry

November 2009



Dear Members,

Calvin Ziru
Chief Executive Officer

Welcome

In this issue

CEO's Desk	2
Business News	3
Interview	5
Feature	6
National News	8
Regional News	9

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SICCI HOLDS MEET AND GREET TO WELCOME FRIDAY 6 NOVEMBER 2009

The Solomon Islands Chamber of Commerce and Industry enjoyed one of its more recent events on Friday 6 November 2009 with a meet and greet at the Heritage Park Hotel. The gathering was an opportunity for members to meet with new CEO, Mr Calvin Ziru who joined the Chamber in early October and to meet with new Australian Youth Ambassadors for Development (AYAD) Volunteer, Mr Ben Barnett to the Chamber.

Executive representative, Mr Bruce Saunders played the role of Master of Ceremony and welcomed members to Club Xtreme (which was the exclusive club for the Hotel). In thanking those who attended, Calvin Ziru expressed his expectation for greater service to members and stronger cooperation between National Private Sector Organisations in addressing the issues that were important to the private sector.

Club Xtreme is one of the features of Heritage Park Hotel that is to be opened in the near future. The Chamber was privileged to be the first to use the Club, and event which allowed Ken Lyall to test his staff. In his welcoming remarks, Ken Lyall told guests that since opening Heritage Park Hotel has had very good business with an occupancy rate of around 70%. He was happy to see the eventual opening of the business and looked forward to their contribution to the business environment in the Solomon Islands.

The meet and greet saw a total of 52 people attending including New Zealand High Commissioner, Mark Ramsden (HON), Third Secretary to the Australian High Commissions, Ms Deanna Easton, Ombudsman, Executive Officer of Transparency International and representatives from other organisations including the Solomon Islands Chinese Association and the Small and Medium Enterprise Council (SMEC).

ILO HOLDS PRESENTATION ON YOUTH EMPLOYMENT



Members of the Solomon Islands Chamber of Commerce enjoyed a brief presentation today from the International Labour Organisation (ILO) held at the Pacific Casino. The presentation was conducted by Mr Edward Bernard from the ILO Office in Suva, Fiji and attended by business representatives from the private sector.

The purpose of the ILO presentation was to initiate

discussions with private sector employers on the issue of youth employment in the Solomon Islands and to see how the Chamber of Commerce can begin to work with its membership and other like organisations to develop programs that support youth employment and development in the country. 25 participants attended the presentation.

Business tools, including a DVD and Handbook on youth employment were also distributed.

The presentation attempted to promote to employers the benefits of employing youths and supporting the development and training of youth aged staff by seeing the capacity and potential they possess. It discussed ILO statistics within the region and the world that supported the idea the impact of employing and training youths and the benefits that this had on individual companies.

In the presentation, Edward Bernard also emphasised that with the increasing youth related issues that the country is facing today, it is a corporate responsibility for the private sector to participate in strategic program that aim to alleviate and improve the well being of youths in the country, particularly through employment and development



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SICCI PRESENTATION ON ANTI-CORRUPTION WORKSHOP

The Solomon Islands Chamber of Commerce and Industry participated in the second Anti-Corruption Taskforce (ACT) Workshop on 10 November 2009 at the Forum Fisheries Agency (FFA) Conference Room. The primary topic of the Workshop was 'Politics, Public Sector and Anti-Corruption' and saw a range of presentations from various organisations invited to make presentations on the subject. At the opening of the Workshop, Prime Minister, Hon. Dr. Derek Sikua reiterated his government's support for the work of the ACT and its intention to sign the United Nations Convention Against Corruption (UNCAC) in 2010.

Amongst the presentations that were made during the Workshop, the most alarming was the presentation by the Auditor-General, Mr Edward Ronia on the cost of corruption on the national economy. The Auditor-General provided figures from audit reports made on 10 national projects prior to 2007, which revealed that the Solomon Islands, because of corrupt practices, lost more than \$440 million in revenue. He emphasised

that this amount represents only 10 national projects, a very small portion of the real picture.

On behalf of the private sector, CEO for SICCI, Mr Calvin Ziru presented a brief analysis of the approach that the Solomon Islands needed to take to combat corruption in the country. SICCI acknowledged that the interaction between public and private sector was inevitable as a matter of law, particularly on issues of taxation, customs, immigration, land etc. The presentation emphasised that effective anti-corruption was more than just improved auditing and legislative changes, but rather a radical political reform – a process which the government cannot achieve in isolation of its stakeholders.

The Anti-Corruption Workshop is a series of workshops that is being planned by the ACT with the intention of soliciting views on anti-corruption in the Solomon Islands. The next workshop will be held in Auki on 19 November 2009. SICCI is inviting any interested members to make a presentation on its behalf.

ASIM AND SICCI APPEAR BEFORE PAC

As the Permanent Secretary of the Ministry of Finance and Treasury, Mr Shadrach Fanega, on Wednesday 2 December 2009 issued an update on the government's finances in response to public concerns, the Association of Solomon Islands Manufacturers and the Solomon Islands Chamber of Commerce and Industry were preparing to make submissions to the Public Accounts Committee on the issues they had with proposed tax increases by the government.

The 2010 Budget meeting by the Public Accounts Committee was ordinarily a government affair where the ministries of the government appeared before the Committee to explain or justify allocations made to it in the Budget. The Committee resolved early Wednesday morning to accept an Appearance by representatives of ASIM and SICCI, as an exception.

The submission is timely given confirmations by Mr Fanega over government money. Mr Fanega confirmed that for the remainder of this year, government finances would remain very tight. He said that the Global Economic Crisis had hit the Solomon Islands export sector hard. As a result, government revenues would be well down on what was projected to be collected in 2009.

SICCI intends to submit to the Committee that whilst it accepts tax increases may be necessary

in such financially challenging times, imposing such increases as a result of the government inability to collect revenue and apparent misuse and mismanagement of funds is wrong and unfair on the private sector. These matters will be raised on Thursday 3 December 2009.

CEO MEETS WITH POLICE COMMISSIONER

SICCI Chief Executive Office, Calvin Ziru made a courtesy call to the RSIP Police Commissioner, Mr Peter Marshall on Friday 4 December 2009. During the meeting, the two discussed in general the relationship between a strong commercial activity and improved law and order situation in the country. The Commissioner expressed his desire to see greater collaboration between the private sector and police force in the future. SICCI took the opportunity in the meeting to discuss security issues concerning its members, namely Chinatown with the recent burning of the SIFF building, and GPPOL with the burning of its headquarters earlier on in the year.

In agreeing to improve working relationship, the Commissioner agreed to provide monthly updates to SICCI on policing issues and any other matters that may be of interest or concern to the private sector. The details of this arrangement will be finalised by the Board but may include monthly reports to the Board or CEO and where necessary, SICCI meeting with the Police Commissioner.

2010 RANK	2009 RANK	ECONOMY	2010 REFORMS	2010 RANK	2009 RANK	ECONOMY	2010 REFORMS	2010 RANK	2009 RANK	ECONOMY	2010 REFORMS
1	1	Singapore	3	62	51	Spain	1	123	123	Nepal	1
2	2	New Zealand	0	63	64	Kazakhstan	3	124	122	Paraguay	1
3	3	Hong Kong, China	3	64	53	Luxembourg	1	125	120	Nigeria	1
4	4	United States	0	65	60	Oman	2	126	124	Bhutan	1
5	6	United Kingdom	2	66	54	Namibia	0	127	125	Micronesia, Fed. Sts.	0
6	5	Denmark	0	67	143	Rwanda	7	128	130	Morocco	1
7	7	Ireland	1	68	59	Bahamas, The	0	129	127	Brazil	1
8	8	Canada	0	69	73	Tunisia	2	130	128	Lesotho	0
9	9	Australia	0	70	62	St. Vincent and the Grenadines	2	131	126	Tanzania	0
10	10	Norway	1	71	77	Montenegro	4	132	131	Malawi	2
11	16	Georgia	2	72	72	Poland	4	133	132	India	1
12	12	Thailand	1	73	63	Turkey	1	134	144	Madagascar	1
13	15	Saudi Arabia	2	74	66	Czech Republic	3	135	140	Mozambique	2
14	11	Iceland	1	75	67	Jamaica	1	136	134	Algeria	4
15	13	Japan	0	76	70	St. Kitts and Nevis	1	137	142	Iran, Islamic Rep.	4
16	14	Finland	1	77	83	Panama	2	138	133	Ecuador	0
17	24	Mauritius	6	78	74	Italy	0	139	137	West Bank and Gaza	2
18	17	Sweden	0	79	79	Kiribati	0	140	135	Gambia, The	0
19	23	Korea, Rep.	2	80	75	Belize	0	141	136	Honduras	3
20	18	Bahrain	1	81	78	Trinidad and Tobago	0	142	146	Ukraine	1
21	19	Switzerland	0	82	89	Albania	3	143	138	Syrian Arab Republic	1
22	20	Belgium	2	83	76	Dominica	0	144	141	Philippines	3
23	21	Malaysia	2	84	81	El Salvador	0	145	139	Cambodia	0
24	22	Estonia	2	85	85	Pakistan	1	146	147	Cape Verde	2
25	27	Germany	2	86	102	Dominican Republic	1	147	155	Burkina Faso	5
26	25	Lithuania	1	87	71	Maldives	0	148	156	Sierra Leone	5
27	30	Latvia	2	88	90	Serbia	2	149	159	Liberia	3
28	26	Austria	0	89	86	China	1	150	145	Uzbekistan	2
29	29	Israel	1	90	99	Zambia	1	151	154	Haiti	2
30	28	Netherlands	1	91	88	Grenada	2	152	164	Tajikistan	5
31	31	France	2	92	87	Ghana	1	153	150	Iraq	0
32	69	Macedonia, FYR	7	93	91	Vietnam	2	154	149	Sudan	2
33	47	United Arab Emirates	3	94	108	Moldova	3	155	148	Suriname	0
34	32	South Africa	1	95	84	Kenya	1	156	162	Mali	5
35	33	Puerto Rico	0	96	94	Brunei Darussalam	1	157	152	Senegal	1
36	34	St. Lucia	1	97	92	Palau	0	158	151	Gabon	0
37	49	Colombia	8	98	93	Marshall Islands	0	159	160	Zimbabwe	1
38	38	Azerbaijan	2	99	103	Yemen, Rep.	3	160	168	Afghanistan	3
39	37	Qatar	0	100	104	Jordan	6	161	158	Bolivia	0
40	36	Cyprus	0	101	98	Guyana	2	162	153	Comoros	0
41	80	Kyrgyz Republic	7	102	95	Papua New Guinea	1	163	157	Djibouti	1
42	35	Slovak Republic	1	103	110	Croatia	1	164	173	Timor-Leste	1
43	50	Armenia	3	104	96	Solomon Islands	0	165	166	Togo	2
44	42	Bulgaria	2	105	97	Sri Lanka	1	166	161	Mauritania	0
45	39	Botswana	2	106	116	Egypt, Arab Rep.	4	167	165	Lao PDR	1
46	61	Taiwan, China	2	107	111	Ethiopia	3	168	163	Côte d'Ivoire	0
47	41	Hungary	1	108	101	Lebanon	2	169	170	Angola	3
48	48	Portugal	4	109	100	Greece	1	170	169	Equatorial Guinea	0
49	40	Chile	0	110	117	Guatemala	4	171	167	Cameroon	3
50	44	Antigua and Barbuda	0	111	105	Seychelles	0	172	172	Benin	2
51	55	Mexico	2	112	106	Uganda	1	173	171	Guinea	0
52	46	Tonga	1	113	107	Kosovo	1	174	174	Niger	1
53	58	Slovenia	2	114	109	Uruguay	1	175	175	Eritrea	0
54	43	Fiji	1	115	114	Swaziland	0	176	177	Burundi	0
55	45	Romania	1	116	119	Bosnia and Herzegovina	1	177	178	Venezuela, R.B.	0
56	65	Peru	6	117	113	Nicaragua	0	178	176	Chad	0
57	68	Samoa	2	118	112	Argentina	1	179	179	Congo, Rep.	0
58	82	Belarus	6	119	115	Bangladesh	3	180	180	São Tomé and Príncipe	0
59	57	Vanuatu	1	120	118	Russian Federation	3	181	181	Guinea-Bissau	1
60	56	Mongolia	0	121	121	Costa Rica	1	182	182	Congo, Dem. Rep.	1
61	52	Kuwait	2	122	129	Indonesia	3	183	183	Central African Republic	1

Note: The rankings for all economies are benchmarked to June 2009 and reported in the country tables. Rankings on the ease of doing business are the average of the economy's rankings on the 10 topics covered in *Doing Business 2010*. Last year's rankings are presented in italics. These are adjusted for changes in the methodology, data corrections and the addition of 2 new economies. The number of reforms excludes reforms making it more difficult to do business.

Source: *Doing Business* database.

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The daltrön Story



For Tony Koraua, a Solomon Islander but a permanent resident of Australia, the opportunity to be the Country Manager Sales and Marketing for Daltron presented the unique chance to return and work in his native homeland. With a Bachelor Degree in Information Technology from Queensland University of Technology and an Associate Diploma of Computing from Holmesglen TAFE, Victoria, Tony had worked within Information Technology Departments of SINPF and ANZ Bank holding position of IT Manager and Systems Administrator respectively; and prior to that, he had worked at the ANZ Head Office in Melbourne. With a passion for business development, his vision is to see Daltron grow in the Solomon Islands.

Tell us a little bit about yourself, your background, your interests and how you got this position you now have with Daltron?

My passion is in Business Development. I enjoy the thrill of having played a part in the success of any business. I was living and working in Australia for the past 7 years in Information Technology when I saw the Daltron opportunity on the internet. I was quite certain that it would be a great opportunity to assist a company that is genuine about Investing in the Solomon Islands and for me personally to come back and contribute positively to Solomon Islands. After a thorough check on the history and vision of Daltron, I applied and was fortunate enough to be offered the position.

Tell us a little bit about the 'Daltron Story' - what kind of company it is, what services it provides, the staff you have and its operation in the region and Solomon Islands?

Daltron Solomon Islands is an Information and Communication Technology (ICT) company owned by WR Carpenters Group of companies from PNG. It predominantly offers a broad range of Hardware, software and computer accessories. Daltron Solomon Islands also has a highly skilled and certified service team that offers tailored business solutions ranging from repairs or maintenance, network setups, Wireless installations, Exchange Server setups, and many other adhoc requests from customers. Daltron PNG and Fiji are also providing back-up support on Systems Development, Project Management and other services currently not offered in Solomon Islands. Daltron Solomon Islands will be introducing additional products and service in 2010. Our Showroom is the biggest in town right now and is located on Ground Floor of BJS Building.

What is your vision for Daltron in the Solomon Islands and what can you say about the Solomon Islands market that attracts your business?

Daltron Solomon Islands is an ICT Business in the Solomon Islands that is indeed very unique from others. We truly value our customers. It has a great team of dedicated and highly professional and skilled individuals that are prepared to serve their customers without complain. I see that customers have a high expectation of Daltron and that it is renowned for the genuineness and competitiveness in the range of products and services it offers.

Solomon Islands ICT Market is quite strong. With the rate of development that is happening within the Solomon Islands, a need for innovative Business Solutions continues to grow and that is the attraction for Daltron regarding this market; it believes that it has all the resources and skills to be a trust worthy technology solutions partner.

What are the primary objectives for Daltron in the Solomon Islands and how do you intend to achieve these?

Daltron's primary objective is to increase our market share. To achieve this, we need to increase the range of products and services we offer and continue to be innovative with the solutions we provide our clients with.

Tell us about the major business challenges that Daltron is facing at the moment? How do you intend to deal with these challenges?

Having only been with Daltron for the last 3 weeks, I can only say that the continual decline of the Solomon Dollar is a challenge that is really beyond our control. We are having to continuously change our pricing to reflect the drop in our currency.

What is the single most difficult thing about doing business in Solomon Islands in Daltron's view and what solution would you suggest?

I feel that telecommunication technology and infrastructure is the most difficult challenge at the moment. With the deregulation that is due to come into effect early 2010, I think we will hopefully be able to see some improvements. Daltron is keen to see the internet part of the Telecommunications Act fast tracked so we can see more competition and improved services.

What other business and community activities would your company support or be interested to support in 2010? What are these activities important to Daltron?

We are keen to assist where we can. We are currently trying to explore opportunities to assist youths and sports. Youth's are the future of any country and if Daltron can assist them in anyway then we would be satisfied knowing that we are contributing to make a difference to this country.

This is a question we intend to ask all our members at some point because it relates to one of the issues of focus that the Chamber has. In your case it's the issue of Anti-corruption. What would you like to see for the Solomon Islands by 2012, as regards anti-corruption?

I would like to see a Solomon Islands that is totally free from Corruption. I would like to see a day that Businesses can compete fairly on the grounds of pure merit and without fear that corruption could be playing a part in some business dealings. I believe that corruption has contributed to past social unrest Solomon Islands has witnessed in the past.



Tony Koraua (right) talks to Bryan Keniasina, SICCI Project Officer.

Israel seeks answers from Solomon Islands

Israel wants answers from Solomon Islands over UN vote. ISRAEL is sending a foreign ministry official to the Solomon Islands next week to seek an explanation as to why it was the only country in Oceania to vote at the UN for the Goldstone report condemning Israel's assault on Gaza.

Solomon Islands' Foreign Minister William Haomae a year ago flew to Iran, following a meeting at the UN in New York with counterpart Manouchehr Mottaki, to explore the prospect of formalising diplomatic relations, and of benefiting from Iranian aid. Prime Minister Derek Sikua also held talks with Iran's President Mahmoud Ahmadinejad when both were attending the UN General Assembly in September last year.

Mr Haomae said at the time that Iran's assistance might be helpful in dam construction, training for the oil and gas industries -- for which the Solomons hopes to attract exploration -- and trade in general. The Solomons

foreign ministry issued a statement that "as a peace-loving state, we have adopted a foreign policy of 'friends to all, enemies to none'" -- also the foreign policy slogan of the first Papua New Guinea government of Michael Somare.

Mr Mottaki said at the same time that "co-operation within the framework of south-south countries is very useful". Since then, diplomatic relations have still not been formalised between the countries, although they have signed a "co-operative memorandum" about exploring practical ties in the face of criticism from Solomons opposition leader Manasseh Sogavare, who said that Iran "works against every principle that all right-thinking governments of the world believe".

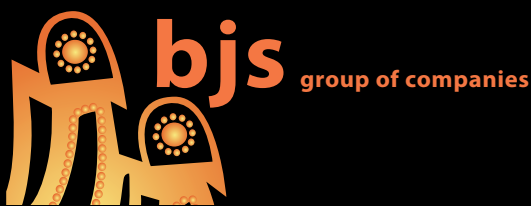
Iran promised to fund the travel for Solomon Islands medical students to Cuba. Iran and Cuba have long had close relations. Former Cuban president Fidel Castro spoke admiringly of Iran's "increasing its ability to fight

big powers by the day".

Cuban doctors are also working in the Solomons. Fifty Solomons students are already in Cuba, and a further 20 are to leave for Havana shortly. However, it remains unclear whether all the funding pledged by Iran has been received in Honiara as agreed.

The two-year-old government of Mr Sikua, while perceived as more supportive than its predecessor of the Australia-led Regional Assistance Mission to Solomon Islands (RAMSI) that ended the civil strife there, is nonetheless seeking ways to assert its sovereignty.

The Marshall Islands, the Federated States of Micronesia, Nauru and Palau joined Australia in opposing the Goldstone report into Israel's January assault on Hamas. Fiji, PNG, Samoa and Tonga joined New Zealand in abstaining. Only the Solomon Islands voted in favour.



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Regional Workshop on Cairns Compact ends with better understanding of Compact

A regional workshop on the Cairns Compact held in Nadi, Fiji, 26 – 28 November has resulted in a greater understanding of the scope and implications of the Compact endorsed by Forum Leaders at their meeting in Cairns last August

“It was agreed during the workshop that the responsibility to implement the key deliverables of the Compact, is a shared responsibility between the Secretariat, Forum member countries, development partners, regional and international agencies and other related stakeholders,” said Feleti Teo, Deputy Secretary General of the Pacific Islands Forum Secretariat.

“The workshop has provided clearer guidance and directions to the Secretariat in the implementation and coordination of the implementation of the Compact. I also believe that the participants are in a clearer position as to their anticipated roles and contributions to the successful implementation of the Compact,” said Mr Teo.

Mr Teo added: “I wish to commend the Forum member countries, development partners, CROP agencies and other regional and international agencies for indication during the workshop of their support for the work of implementing the deliverables of the Compact.”

Delegates at the workshop considered it important that which ever mechanism was used to channel the deliverables of the Cairns Compact, it must have the appropriate national representation. Some delegates also reiterated the need to avoid a ‘one size fits all’ approach especially for the Smaller Island States (SIS) who have limited capacity.

In relation to the peer review of Forum Island Countries’ (FICs) national plans, one of the key deliverables of the Cairns Compact, the workshop considered it more appropriate that the peer review process should look to consider both national resource use and allocation practices as well as development partners behaviour and overseas development assistance at the national level.

Development partners reporting under the Cairns Compact, another of the deliverables of the Compact, was considered important by the participants, but the donors reporting to the Forum Secretariat should not undermine or prevent donors reporting to member countries, including on multi-year funding commitments. It was agreed that regional overseas development assistance (ODA) should also be assessed and that CROP agencies should work out how best they can provide assessments in line with the Cairns Compact.

The regional workshop agreed that the Cairns Compact has created new resource requirements but as much as possible existing mechanisms and processes should be utilized.

The workshop agreed that the Secretariat needs urgent technical and financial resources for the provision of oversight of the implementation of the Compact deliverables. The technical resources could be sourced from other agencies operating in the region on secondments or as short-term consultancies.

Other topics considered during the three-day workshop included:

- A Forum Private Sector Dialogue;
- Development of a Roadmap to strengthening public financial management;
- Tracking Millennium Development Goals and development effectiveness reporting;
- Implementation schedule and mapping development assistance; and
- A resourcing profile for the Compact.

Forum Secretariat Deputy Secretary General, Mr Teo acknowledged the support provided by AusAID and NZAID in complementing and supplementing the Secretariat’s preparatory work for the workshop and AusAID for providing funding for the workshop.

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