

Intergenerational Trust Fund for the People of the Republic of Nauru
Trust Fund Committee Meeting
27 February 2018

Meeting Minutes Summary Outcome

The following members or their alternates were in attendance:

Hon David Adeang, MP - Chairman and Minister for Finance, Government of Nauru (GON)
Bruce Soar - Member and Director, Pacific Division, Department of Foreign Affairs and Trade, Government of Australia (GOA)
Richard Bontjer - Alternate Member and Director, Public Financial Management, Regional Statistics and Multilateral Banks, Pacific Division, Department of Foreign Affairs and Trade, Government of Australia (GOA)
Joseph Chin-fa Chow - Ambassador to the Republic of Nauru and Alternate for Winston WenYi Chen, Director General, Department of East Asian and Pacific Affairs, Ministry of Foreign Affairs, Republic of China (Taiwan)

Others present:

Martin Hunt - Finance Manager, GON
John Petersen - Financial Adviser to the Minister for Finance, GON
Hon Vodrick Detsiogo, MP – Assistant Minister, Government of Nauru (GON)
H.E. Chitra Jeremiah - Nauru's Ambassador to the Republic of China (Taiwan)
Joseph Manteit - Nauru Section, Department of Foreign Affairs and Trade, GOA
Maree Griffin - Executive Administrator, Financial Management Consulting, BDO (Qld) Pty Ltd
Rebecca Boyer - Practice Assistant, Financial Management Consulting, BDO (Qld) Pty Ltd
Michael Maher - Principal, Mercer
Craig Hughes - Principal, Mercer

Meeting Opening

The meeting was the seventh official meeting of the Intergenerational Trust Fund for the People of the Republic of Nauru (the Trust Fund) and opened at 11.02am with a prayer by the Assistant Minister and Chairman David Adeang welcoming everyone to the meeting.

Chairman Adeang asked that the Committee address the items on the agenda.

Trust Fund Business

1. Introduction of Australia's new representative – Mr Bruce Soar

Minister Adeang welcomed Mr Soar to the Committee and thanked Mr Bontjer for his contribution to the Fund since its inception. Mr Soar and Mr Bontjer responded accordingly.

2. Approval of 6 December 2017 Meeting Minutes confirmed.

There were no further changes requested to the minutes.

Decision: The Committee approved the minutes.

3. Financial Information

(a) Mrs Griffin provided a summary of the December 2017 quarterly financial information.

Decision: The Committee endorsed the financial information prepared by BDO.

Action arising: Mrs Griffin confirmed she would move the June 2018 Distribution amount to July 2018 in the cash flow statement and allow for the transfer of funds relating to the ANZ operational account.

Decision: The Committee endorsed the information included in the cash flow document and the 2017/18 Budget prepared by BDO.

Action arising: Mrs Griffin confirmed she would provide a further breakdown of timing and costs involved. Minutes with less detail will also be provided for future meetings.

4. Mercer Investment Information

(a) Mr Maher took the Committee through the performance of the Fund for the December 2017 quarter and responded to questions raised in relation to the Quarterly report.

Decision: The Committee endorsed the information included in the Quarterly Report prepared by Mercer.

Decision: The Committee endorsed the information prepared by Mercer.

Action arising: Mr Maher to provide research notes from investment managers.

Action arising: Mr Maher to organise a phone call for the Committee and the relevant investment managers to decide if a face to face meeting would be beneficial.

Action arising: Mr Maher to determine cost to the Fund as a result of the change and advise the Committee.

5. Contribution by New Zealand

(a) Mr Petersen provided an update on the contribution from the Government of New Zealand and advised they had expressed interest in joining the Committee. There is no MOU at this stage. Mrs Griffin advised BDO had prepared a Decision Memoranda (DM) which the Committee is to sign.

Action arising: Committee members to sign DM in relation to contribution from New Zealand.

Action arising: The Chairman to continue discussions with the New Zealand Government.

6. NZIPR Report

Mrs Griffin and Mr Maher jointly presented a brief summary of points and recommendations from the initial assessment of the Tuvalu report. Mr Maher provided an explanation of a formal risk report and the Committee expressed interest in seeing what a report would look like.

Mr Bontjer asked what support Mercer could provide to the Committee in developing a set of investment principals on responsible investment. Mercer can provide a workshop to assist with this process. Chairman Adeang advised he had no objections to this approach.

Action arising: Mercer to provide details of what would be required for the workshop and the timing involved for the Committee.

Action arising: The new independent consultant will work through the recommendations and report as part of their role once selected.

7. Design Logo

Mr Petersen advised the winning logo design has been decided. Mr Bontjer queried if the design had been considered by Cabinet.

Action arising: The Chairman will show the final design to Cabinet for consideration and once complete he will send the final design to the Committee for their approval.

8. Consultant

The Committee discussed the current options for the independent consultant role.

Action arising: Mr Petersen to send a copy of the CV for the current candidate and the draft terms of reference document to the Committee members for review.

Action arising: Mrs Griffin to provide the Committee with information on recruitment services offered by BDO and timing of the process.

Action arising: Mr Soar and Mr Petersen to meet with the current candidate to determine if the Committee should progress with sole sourcing of the candidate or if the Committee should go to market to fill the role.

9. Indemnity document

Mr Petersen advised he had drafted the indemnity document and provided to Mr Soar to sign.

Action arising: Mr Soar to sign two copies of the indemnity document after the Committee meeting. Mr Hunt to then take original signed documents back to Nauru for the Chairman to sign.

10. Future meetings

Mrs Griffin confirmed the next meeting is scheduled for 22 May 2018 and will be a dial in meeting to start at 11am Brisbane time.

Decision: The Committee confirmed the timing and date for the next Committee meeting.

Action arising: BDO to send a date claimer appointment around confirming the details.

11. Other business

There was no other business to discuss.

Meeting Closure

Mr Petersen thanked everyone for participating and Chairman Adeang closed the meeting at 1:20pm with a prayer from the Assistant Minister.