

Solomon Islands and the Core Economic Working Group

1. In March 2009, the Solomon Islands Government established the Core Economic Working Group (CEWG) to improve coordination and dialogue between the government and its development partners to meet the economic and fiscal challenges facing the country.
2. The CEWG comprises officials from the Central Bank of Solomon Islands, the Office of the Prime Minister, the Ministry of Development Planning and Aid Coordination, the Ministry of Finance and Treasury, the Ministry of Education and Human Resource Development, and the Ministry of Public Service, along with development partner representatives from the Asian Development Bank, Australia, European Union, New Zealand, and the World Bank.
3. The government's economic and financial reform priorities are outlined in a program of policy reform and the CEWG provides for an ongoing dialogue between the government and development partners over these reform priorities and their achievement. Development partners provide budget support that is linked to the achievement of the economic and financial reform priorities.
4. To date, the CEWG and the associated economic and financial reform priorities, have primarily focused on monetary and fiscal stability, and strengthening the institutional framework for public expenditure and financial management. Going forward, development partners see the main challenges as ensuring that improved financial management systems translate into improved public service delivery, as well as refocusing the CEWG on private sector growth issues.
5. One of the outcomes resulting from the CEWG process is a reduction in transaction costs to government when it comes to dealing with its development partners. Since the establishment of the CEWG, dialogue and coordination has improved among development partners, between development partners and government, and between different parts of government.
6. An annual review of the CEWG is undertaken jointly by the government and development partners. The review focuses on progress in the implementation of the economic and financial reform priorities, makes proposals for government's consideration for the development of future priorities, as well as makes suggestions for improving the CEWG's setup and process with respect to its sustainability to coordinate and manage the expected implementation of the reform program. The 2013/2014 review will take place in August 2014.