



Agenda Item 4(e)(ii): Travel Policy Review

Recommendations:

- a) **note** and welcome the review of PIDC travel regulations;
 - b) **endorse** the Travel Policy to support the enforcement of Financial Regulation 14 and
 - c) **tasked** the Secretariat to ensure the Travel Policy is adhered to going forward.
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Purpose

The Board is invited to review and consider the draft PIDC travel policy and the recommendations discussed below.

Background

2. The Board will recall endorsing the PIDC travel policy in principle at the Palau Board Meeting in October 2023 where the Board had tasked the Secretariat with the Audit & Risk Committee to finalize the Travel Policy. Consequently, the Secretariat at the Boards March meeting in Apia had tabled a report to advise the Board that the finalisation of the PIDC Travel Policy was still a work in progress with a final version of the PIDC Travel Policy to be presented at this Board Meeting in Honiara. Board members at the meeting had provided additional suggestions and comments on the draft Travel Policy subsequently tasking the Secretariat to provide more clarity on the staff travel policy and to table the Travel Policy to the Board for their consideration.

Update

3. PIDC travel is the most significant expense of the Secretariat's annual operating budget, consuming more than 55% of the Programme Activities. This is due to the nature of its work in the region and its member countries, which requires significant travel by the Board, Members, technical experts and Secretariat staff to attend or deliver PIDC activities. This expenditure continues to increase in cost as international travel becomes more expensive. The high cost of flight and accommodation is evident as the global travel and hospitality industry recovers from the impact of COVID-19. The Secretariat needs to revisit its travel regulations to identify how it can cut costs and improve travel efficiency when arranging travel.

Regulation 14 – Travel

4. PIDC Financial Regulation 14 provided the governance structure for PIDC travel, domestic and international travel. It regulates PIDC's (i) travel planning and budgeting, (ii) travel bookings, (iii) per diems, (iv) actual and reasonable expenses, (v) travel insurance, and (vi) approvals when traveling on PIDC business.

5. The current regulation is very general and lacks detailed provisions for precise application. The Secretariat has drafted the policy to help provide clarity, to allow flexibility, and minimize costs.