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Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

New Caledonia

Working paper prepared by the Secretariat

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Note: The information contained in the present working paper has been derived from public sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power on 12 December 2019 under Article 73 *e* of the Charter of the United Nations. Further details are contained in previous working papers, available from <https://www.un.org/dppa/decolonization/en/documents/workingpapers>.



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The Territory at a glance

Territory: New Caledonia is a Non-Self-Governing Territory under the Charter of the United Nations, administered by France. New Caledonia has the status of a sui generis overseas territory under the French Constitution and has enhanced autonomy.

Representative of the administering Power: Laurent Prévost, High Commissioner of the Republic (since 10 July 2019)

Geography: New Caledonia is located in the Pacific Ocean, about 1,500 kilometres east of Australia and 1,800 kilometres north of New Zealand. It comprises the Main Island (Grande Terre), the Pine Islands, the Bélep Archipelago, Huon and Surprise, the Chesterfield Islands and the Bellone Reefs, the Loyalty Islands (Maré, Lifou, Tiga, Beautemps-Beaupré and Ouvéa), Walpole Island, the Astrolabe Islands, the Matthew Islands and Fearn or Hunter, as well as islets close to the shore. It also has several uninhabited islets to the north of the Loyalty Islands.

Land area: 18,575 square kilometres (the Territory as a whole); 16,750 square kilometres (Grande Terre)

Exclusive economic zone: 1,422,543 square kilometres

Population: 268,767 (2014 census)

Life expectancy at birth: women: 80.1 years; men: 74.4 years (2015)

Ethnic composition: 39.1 per cent Melanesians, mainly Kanaks; 27.2 per cent persons of European origin, mainly French; 8.2 per cent Wallisians and Futunians; 2.1 per cent Tahitians; 1.4 per cent Indonesians; 0.9 per cent Vietnamese; 0.9 per cent Vanuatians; and 20.2 per cent populations classified by the French National Institute of Statistics and Economic Studies as “others”.

Languages: The official language is French. About 27 Kanak vernacular languages are spoken in geographically distinct regions. Under the Agreement on New Caledonia signed in Nouméa on 5 May 1998 (Nouméa Accord), Kanak languages and French are the languages of instruction and culture.

Capital: Nouméa, located in the south of Grande Terre

Head of the territorial Government: Thierry Santa (since 28 June 2019)

Main political parties: The Congress includes four political groups (six members are required to form a recognized group). The two anti-independence groups are Avenir en confiance and Calédonie ensemble. The two pro-independence groups are Union calédonienne–Front de libération nationale kanak et socialiste (UC-FLNKS) et Nationalistes, and Union nationale pour l’indépendance–Parti de libération kanak (UNI-Palika).

Elections: The most recent national elections were held on 23 April and 7 May 2017 (presidential election), 11 and 18 June 2017 (legislative elections) and 24 September 2017 (Senate elections). The most recent local elections were held on 23 and 30 March 2014 (municipal) and 12 May 2019 (provincial). The referendum on accession to full sovereignty by New Caledonia was held on 4 November 2018. The next referendum will be held on 6 September 2020.

Legislature: Congress of New Caledonia

Gross domestic product per capita: 3.64 million Pacific francs (2018, estimated), or 30,500 euros

Unemployment rate: 11.9 per cent (2018)

Economy: Mining industry (notably nickel), construction and tourism

Monetary unit: Pacific franc or CFP franc (1,000 CFP francs = 8.38 euros (fixed exchange rate))

Brief history: In 1774, the British captain James Cook discovered Grande Terre and named it “New Caledonia”. France annexed New Caledonia on 24 September 1853. In 1942, the United States of America decided to set up one of their military bases for the Pacific in New Caledonia. Some 20,000 New Zealand soldiers were stationed in New Caledonia during the Second World War. In 1946, France made New Caledonia an overseas Territory with limited autonomy. In the 1970s, supporters of independence were highly active, leading to violence during the 1980s known as the “*événements*” (events). In 1988, the Matignon Agreements led to the establishment of three provinces with the aim of restoring the balance of power. Ten years later, in 1998, the Nouméa Accord provided for the gradual autonomy of the Territory and for a referendum on the Territory’s accession to full sovereignty, which took place on 4 November 2018.

I. Constitutional, political and legal issues

1. New Caledonia is a sui generis territory within the French Republic, governed under the provisions of part XIII of the Constitution (“Transitional provisions pertaining to New Caledonia”). The French Minister for Overseas Territories, Annick Girardin, has responsibility for New Caledonia and, in that capacity, oversees the coordination and implementation of the actions of the Government of France in accordance with the Territory’s status and organization. The administering Power is represented in the Territory by a High Commissioner, who exercises the authority of the French Republic in New Caledonia. That position is currently held by Laurent Prévost. Under Organic Act No. 99-209 of 19 March 1999 concerning New Caledonia, the administering Power retains prerogatives in a number of areas, including diplomacy, immigration and alien control, currency, the Treasury, defence, justice, and maintenance of law and order. In the area of defence, the High Commissioner and the Commander of the Armed Forces of New Caledonia perform the functions prescribed by the relevant legislation. New Caledonia has an air force base, a navy base and one infantry regiment, with a total of around 1,700 military personnel. The Armed Forces of New Caledonia conduct the sovereign missions of the administering Power and provide support to the territorial Government in the exercise of its civilian security responsibilities. The administering Power is responsible for the maintenance of law and order, discharged by almost 400 national police officers and around 800 members of the gendarmerie (including mobile gendarmerie squadrons).

2. The Territory is part of the metropolitan judicial system of the administering Power, with some special features, such as the obligation to use customary judges in civilian courts in cases involving disputes between persons with customary civil status. The Court of Appeal is located in the capital, Nouméa. Appeals on points of law can be filed with the French Court of Cassation.

3. The Kanak independence movement was launched in the 1970s, in response to the process of decolonization in Africa and Oceania and as a reaction to the large movements of people from metropolitan France in the late 1960s and early 1970s. In 1984, the Front de libération nationale kanak et socialiste (FLNKS) was founded as an umbrella organization for the pro-independence parties and, later that year, it established a provisional independent Government. Between 1984 and 1988, about 80 people died in violent confrontations between pro- and anti-independence elements. The violence was eventually halted with the conclusion of the Matignon Agreements on 26 June 1988 between FLNKS, the anti-independence Rassemblement pour la Calédonie dans la République and the Government of France. Information on the Matignon Agreements and the Nouméa Accord, concluded in 1998, is available in previous working papers prepared by the Secretariat (see, for example, [A/AC.109/2016/11](#)).

4. Under the Nouméa Accord, France agreed to transfer certain non-sovereign powers and a number of institutions to the Government of New Caledonia between 1998 and 2018. All institutions with the exception of the Rural Development and Land Management Agency have been transferred, along with all powers other than those in the following three areas envisaged in article 27 of Organic Act No. 99-209: (a) rules governing the administration of provinces, municipalities and their public institutions, legal oversight of the provinces, municipalities and their public institutions, and accounting and financial regulations for local authorities and their public institutions; (b) higher education and (c) broadcasting. The Congress, which may request the transfer of the powers referred to in article 27 of the Organic Act, has yet to do so. The Nouméa Accord also provided for the holding, between 2014 and 2018, of a referendum on accession to full sovereignty by New Caledonia, but the referendum could not be held in the last six months of the 2014–2018 term of the Congress. Pursuant to the Accord, the referendum was to be on the transfer of

sovereign powers, achievement of an international status of full responsibility and transformation of citizenship to nationality. The Congress had until the end of May 2018 to request the administering Power, by a three-fifths majority of its members (33 of 54 members), to organize the referendum on accession to full sovereignty. After that deadline, the date would be set by the administering Power.

5. During his visit in December 2017, the Prime Minister of France called upon the New Caledonian political actors to engage in dialogue and invited the Congress to set a date for the referendum and to formulate the question in such a way that it was clear and understandable. To that end, the question would have to be simplified considerably and formulated in a binary manner.

6. On 19 March 2018, the Congress decided that the referendum on accession to full sovereignty by New Caledonia would be held on 4 November 2018. On 27 March 2018, at the meeting of the Committee of Signatories to the Nouméa Accord – a regular meeting that brings together heads of institutions, political groups and members of the Congress, among others – the New Caledonian political partners, in agreement with the administering Power, finalized the question to be asked for the referendum, which was formulated as follows: “Do you want New Caledonia to accede to full sovereignty and become independent?”

7. On 7 November 2018, the Commission Overseeing the Organization and Conduct of the Referendum on Accession to Full Sovereignty by New Caledonia announced the results of the referendum, which had been held on 4 November 2018, with a turnout of 81.01 per cent of voters, or 141,099 out of 174,165 voters registered in 284 polling stations. The referendum resulted in the option of full sovereignty and independence being rejected, with 60,199 or 43.33 per cent of votes cast in favour and 78,734 or 56.67 per cent of votes against.

8. Pursuant to the Nouméa Accord, should independence be rejected, a second referendum may be held within two years of the first poll, in other words no later than 2020, at the request of one third of the members of the Congress (19 members). If independence is again rejected, a third referendum may be held within two years of the second poll, that is no later than 2022, under the same conditions. If the response is still negative, the parties to the Accord will then have to meet to consider the situation thus created. The full text of the Nouméa Accord is contained in the annex to the working paper published in 1998 ([A/AC.109/2114](#)). In June 2019, a new referendum was requested, by both the elected members of the Avenir en confiance group and those of Union nationale pour l’indépendance and Union calédonienne–Front de libération nationale kanak et socialiste (UC-FLNKS). The Committee of Signatories to the Nouméa Accord met on 10 October 2019, with the Prime Minister of France as chair, to determine the arrangements for the second referendum, the date of which was set for 6 September 2020.

9. New Caledonia has a 54-member Congress drawn from the elected membership of the three provincial assemblies (15 of the 22 members of the North Province assembly, 32 of the 40 members of the South Province assembly and 7 of the 14 members of the Loyalty Islands Province assembly).

10. In accordance with the Nouméa Accord, a set of institutions has been established to confirm the full recognition of the Kanak identity and culture. There are eight customary councils representing eight customary regions. In addition, a Territory-wide customary Senate with a rotating presidency comprises 16 members, with each customary council selecting 2 members. Under article 143 of Organic Act No. 99-209, the Senate is consulted on all matters relating to the Kanak identity but has no normative power. In accordance with article 147 of the Organic Act, the Senate has a budget for its operations.

11. Political parties in New Caledonia are divided between those favouring New Caledonia remaining part of the French Republic and those favouring independence, with a number of shades within each stripe. Following the elections to the provincial assemblies held on 12 May 2019, the distribution of the 54 members of the Congress is as follows: (a) pro-independence groups, consisting of UC-FLNKS et Nationalistes (13 seats) and Union nationale pour l'indépendance (11 seats); (b) anti-independence groups, comprising Avenir en confiance (18 seats) and Calédonie ensemble (6 seats); and (c) unregistered members, of whom there are six, including three representing Éveil océanien.

12. The Government of New Caledonia is elected by the Congress on the basis of a proportional system and comprises 11 members. The sixteenth Government was elected on 13 June 2019. It consists of five members proposed by Avenir en confiance, one of whom belongs to Éveil océanien, three members from UC-FLNKS et Nationalistes, two from Union nationale pour l'indépendance and one from Calédonie ensemble. The Head of the Government, Thierry Santa, was appointed on 28 June 2019.

13. There are several electorates in New Caledonia: the general electorate, the special electorate for elections to the Congress and the provincial assemblies, and a special electorate called upon to participate in the final status referendums under the Nouméa Accord (see [A/AC.109/2015/15](#)). The administering Power reports that this latter electorate was established for the first time in 2016 and consisted of 174,154 voters on the day of the referendum, 4 November 2018. To be included on the special electoral roll for the referendum, all persons must meet at least one of the criteria established in Organic Act No. 99-209.

14. Since 1999, the composition of the electorate for provincial elections has been a subject of intense political and legal debate between supporters of independence and advocates of keeping New Caledonia within the French Republic (see [A/AC.109/2014/20/Rev.1](#)). Every year, the special electoral rolls of voters eligible to participate in the election of members of the Congress and the assemblies are updated by special administrative commissions headed by members of the judiciary. Each commission also includes a representative of the Administration appointed by the High Commissioner of the Republic, a representative of the mayor of the municipality and two representatives of voters in the municipality (one pro-independence voter and one anti-independence voter). Since 2016, a qualified person has sat on each commission as a non-voting member. At the request of the New Caledonian political movements, these persons are appointed by the Secretary-General of the United Nations.

15. According to the administering Power, electoral matters are a source of tension in New Caledonia between the pro- and anti-independence parties. The representatives of the pro-independence political groups believe that there are persons who are unduly included on the special provincial electoral roll and they file petitions with the court of first instance of Nouméa to have them removed from the rolls. At the same time, petitions for the inclusion of persons belonging to the Kanak community are filed.

16. Still according to the administering Power, in order to ease potential tensions, a team of United Nations experts has been mobilized each year since 2016, taking into consideration the successive periods of annual revision of the special electoral rolls. The experts served on the administrative commissions as independent qualified persons to assist with the revision of the special roll for the election of members of the Congress and the provincial assemblies and to prepare the special electoral roll for the referendum. The experts issued two separate reports in 2016 and a single report in 2017, making recommendations on how to improve the functioning of the special administrative commissions. Three reports were issued in 2018. In 2019, two reports

were issued: one on the annual revision of the special provincial electoral roll and the other on the revision of the special electoral roll for the referendum.

17. At the meetings of the Committee of Signatories to the Nouméa Accord held on 2 November 2017 and 27 March 2018, the New Caledonian political partners expressed the wish that United Nations experts be present during the referendum. Consequently, at the request of the administering Power, the United Nations Secretariat deployed a group of experts to monitor the referendum. At the request of the Government of New Caledonia and with the consent of the administering Power, the Pacific Islands Forum also dispatched its Ministerial Committee to New Caledonia to monitor the referendum and provide an update on the implementation of the Nouméa Accord. At the meeting of the Committee of Signatories held in Paris on 10 October 2019, it was decided that international observation missions could again be deployed to monitor the second referendum, scheduled for 6 September 2020. Following the 2 November 2017 meeting of the Committee of Signatories, and in order to enable the populations concerned to participate in the referendum on accession by New Caledonia to full sovereignty, the French Parliament adopted Organic Act No. 2018-280 of 19 April 2018 concerning the referendum on accession by New Caledonia to full sovereignty, and its implementing decrees were issued by the Government of France in April and May 2018. According to the administering Power, the exceptional measures adopted in 2018 were aimed at:

(a) *Establishing a procedure for automatic inclusion on the general electoral roll.* As inclusion on this roll is a prerequisite for inclusion on the special electoral roll for the referendum, a procedure for the automatic inclusion of all persons of adult age residing in New Caledonia on the general electoral roll was established – for the first time in France – in order to facilitate the potential inclusion of voters on the special electoral roll for the referendum;

(b) *Establishing periods for additional revisions of the three electoral rolls in New Caledonia.* The additional revision of the general electoral roll was completed on 25 June 2018. Following that revision, the general electorate stood at 210,105 voters. The additional revision of the special provincial electoral roll was completed on 30 July 2018. The special electorate for the provincial assemblies stood at 167,678 voters at the conclusion of that additional revision. The additional revision of the special electoral roll for the referendum was completed on 31 August 2018, following which 11,222 voters were automatically included, and 706 were included upon voluntary request;

(c) *Allowing automatic inclusion for a category of voters whose property and personal ties are presumed to be mainly in New Caledonia.* Under article 218-2, paragraph II, of Organic Act No. 99-209, as amended by Organic Act No. 2015-987 of 5 August 2015 concerning the referendum on accession by New Caledonia to full sovereignty, voters eligible for automatic inclusion on the special electoral roll for the referendum are those included on the roll for the 1998 referendum, those who have or previously had customary civil status, and those born in New Caledonia whose property and personal ties are presumed to be mainly in New Caledonia, provided they meet certain conditions (mainly automatic or voluntary inclusion on the special provincial electoral roll). In accordance with the decisions taken by the Committee of Signatories to the Nouméa Accord at its 2 November 2017 meeting, the New Caledonian partners agreed that voters born in New Caledonia whose property and personal ties were presumed to be mainly in New Caledonia and who were eligible for inclusion on the special electoral roll for the referendum under article 218, paragraph (d), of Organic Act No. 99-209, could be automatically included on the roll by the special administrative commissions if they had resided continuously in New Caledonia since 31 August 2015. Proof of such residence was to be confirmed by checking against the case files of the New Caledonian Compensation Fund for Family

Benefits, Workers' Compensation and Employee Insurance (information recorded in the case files over 12 quarters). Since automatic inclusion of voters with ordinary civil status born in New Caledonia whose property and personal ties are presumed to be mainly in New Caledonia was provided for only in the case of the 4 November 2018 referendum, the Committee of Signatories decided at its 10 October 2019 meeting that, without further amendments to the Organic Act, the State should implement a new procedure for the systematic identification of the voters concerned and conduct a proactive campaign to encourage their inclusion on the electoral rolls before 31 December 2019, as registration of those persons would henceforth be upon voluntary request. To that end, some 4,000 personal letters were sent in duplicate at the end of 2019, one copy by regular mail and the other by registered mail;

(d) *Establishing offshore polling stations in Nouméa for voters from the municipalities of Bélep, Pine Islands, Lifou, Maré and Ouvéa.* Article 3 of Organic Act No. 2018-280 provides for a system of voter registration upon request, as an exception to the general law, for voters from those municipalities to enable them to vote in Nouméa. Some of those voters are still registered in their municipality of origin while residing and working in Nouméa or its neighbouring municipalities. Of the 23,979 voters from the five municipalities included on the special electoral roll for the referendum as at 31 August 2018, 3,253 (13 per cent) chose to register in Nouméa. Of that number, 3,018 (92 per cent) effectively exercised their right to vote on 4 November 2018. This system will be used again for the next referendum, scheduled for 6 September 2020;

(e) *Establishing a special mechanism, as an exception to the general law, for voting by proxy.* Article 4 of Organic Act No. 2018-280 provides for a special mechanism governing proxy voting in the referendum, as an exception to the general law. Only persons in detention (not ineligible to vote) and persons who can demonstrate that they are unable to travel or to vote in person are authorized to vote by proxy. During the referendum held on 4 November 2018, 7,045 voters, or roughly 5 per cent of the total of 141,099, used this voting method. Proxy voting will be available again, under improved arrangements, for the next referendum, scheduled for 6 September 2020. To address possible difficulties with respect to the transmission to the municipalities of proxy voting forms drawn up outside New Caledonia, proxies will be able to vote upon presentation of a copy of the counterfoil provided to each person requesting a proxy vote when the proxy voting form is drawn up. This facility will be reserved for proxy voting forms drawn up outside the Territory – in France or abroad – given the longer mailing times.

18. Article 219 of Organic Act No. 99-209 provided for the establishment of a commission, composed of members of the judiciary, to monitor the organization and conduct of the referendum. The commission was responsible for, inter alia, making the necessary corrections to the special electoral roll for the referendum in order to ensure that the list was in order. The commission decided to register, between 1 September 2018, the day following the conclusion of the period for the additional revision of the special electoral roll, and 3 November 2018, the eve of the referendum, voters who should have been automatically included on the roll during the 2018 revision periods. Thus, 489 additional voters were registered. This exceptional opportunity for voters to have their names included on the special electoral roll for the referendum was extended up until 4 November 2018, when the referendum was held. As a result, 85 voters were registered by the monitoring commission and 12 were directed to the court of first instance. According to the administering Power, it will be for the next monitoring commission to consider whether these arrangements should be renewed or modified ahead of the next referendum, scheduled for 6 September 2020.

19. The administering Power has provided the following statistics concerning the special electoral roll for the referendum as at 4 November 2018, the date of the vote.

Of the 174,154 voters on the roll: 167,809 voters, 85,346 of whom were women and 82,463 of whom were men, were automatically included; 6,345 voters, 3,001 women and 3,344 men, were added upon voluntary request. Those voters included 152,453 natives and 21,701 non-natives, and voters who either currently have or have previously had customary civil status numbered 80,120, representing 46 per cent of the electorate.

20. At the conclusion of the period for the annual revision of the special electoral roll for the referendum on 31 May 2019, 174,939 voters, 86,234 of whom were men and 88,705 of whom were women, were registered. Of those voters, 168,314 were automatically included between 2016 and 2019, and 6,625 were added upon voluntary request.

II. Budget

21. The administering Power reports that the Territory's financial situation has deteriorated since 2012. The business environment reached its lowest level in the first quarter of 2016 and remains low. Sectoral developments are mixed: an increase in tourism and related activities (restaurants, hospitality), but a decline in the construction, public works and business services sectors.

22. The administering Power further reports that New Caledonia has been engaged in a reform of the management of its public finances for the past five years, with a view to replenishing the treasury and restoring fiscal space. This has mainly involved cutting overall budgetary appropriations, which have been constrained by ever-declining revenues. The rationalization of spending has thus continued. New Caledonia enjoys fiscal autonomy, and tax revenues constitute the main source of budget income. To balance the budget, it must therefore optimize the effectiveness of its tax system by reforming the various exemptions. The operating grants paid by the French State to the New Caledonian authorities amount to 6.2 billion Pacific francs and include a grant to compensate for the transfer of powers. New Caledonia is primarily a redistributive Territory: it collects taxes on behalf of local authorities and public bodies and redistributes approximately 74 per cent of the sums raised. Taking into account the scale of non-discretionary spending, particularly the payments to local authorities, but also structural spending, including on staff and public institutions, it has only limited fiscal space. Its debt ratios are very sensitive to variations in its savings and revenues. According to the administering Power, the issue of establishing a separate municipal tax system is still being considered.

23. On tax matters, the Congress passed two country laws on 1 September 2016, one establishing a comprehensive consumption tax to replace the existing seven taxes and contributions; the other on competition, competitiveness and prices, which will mainly allow the Government to regulate prices in the event of a breakdown in competition, supply constraints, slippage in the prices of basic commodities, or major crisis. The Territory has also established the Local Emergency Plan to Support Employment (Pulse), which includes measures to revive investment, and an export support plan designed to diversify the economy, which for years has been focused on nickel mining. It is also worth noting the unanimous adoption by the Congress, on 11 August 2016, of the New Caledonia Land-Use Planning and Development Plan (NC 2025). The provisional budget for 2020, adopted in December 2019, is, for the first time, a rigorous budget aimed at restoring the depleted finances of New Caledonia.

III. Economic conditions

A. General

24. New Caledonia has one of the richest economies of all the Pacific islands, with per capita gross domestic product (GDP) estimated in 2018 at 3.64 million CFP francs (30,500 euros). This is partly owing to the preponderance of nickel mining and processing in the Territory's economy. Nickel production accounts for more than 95 per cent of export earnings. However, there are still significant geographic disparities in income distribution: 90 per cent of total expenditures and resources are concentrated in the South Province, which represents 74.4 per cent of the population of the Territory, while the North Province accounts for 18.8 per cent of the population and the Loyalty Islands Province only 6.8 per cent. The economy is also highly dependent on transfer payments from the Government of France. Such payments amounted to over 142 billion CFP francs in 2017, up 1.97 per cent in one year, representing approximately 15.7 per cent of New Caledonia GDP. In comparison, the contribution of the nickel sector to wealth creation is 3 per cent of GDP. Of the financial resources allocated by the administering Power, 48 per cent are used to finance sectors falling under the purview of the State, while 52 per cent are redistributed among local authorities, including for development contracts. The Territory runs a significant structural trade deficit (93 billion CFP francs), despite an improvement in the coverage rate – 68.6 per cent in 2018 against 62 per cent in 2017 – owing to rising exports.

25. New Caledonia has enjoyed steady growth over the period from 2001 to 2011 thanks to the construction of two nickel plants and their positive knock-on effects. The standard of living in the Territory is now comparable to that of the vast majority of regions in France and close to that of New Zealand, which itself is the second highest in the Pacific region, after Australia.

26. According to the administering Power, the main investment drivers used by the Government of France are based on:

(a) *Development contracts.* The new generation of contracts that will cover the period 2017–2021 includes an allocation of 93.596 billion CFP francs, including 50.36 per cent in funding by the administering Power (47.136 billion CFP francs, approximately \$413 million). The youth sector accounts for 70 of the 208 projects under contract and approximately 30 per cent of the funding that partners have planned to mobilize;

(b) *Tax relief.* Unlike development contracts, which specifically finance large-scale public investment projects, the overseas tax assistance targets private sector economic projects. It allows a taxpayer based in metropolitan France to benefit from a significant tax reduction in return for investing in a productive project overseas. The number of applications for funding has been declining for several years. According to the administering Power, this is linked to the economic downturn. Thus, in 2016, 24 applications for funding were submitted, compared to 28 in 2017 and 24 in 2018. The completion of the metallurgical plants and the holding of referendums have contributed to this decline. The tax relief mechanism was originally scheduled to expire in late 2017, but the French Prime Minister decided to extend it until 2025, offering project managers greater visibility. According to the administering Power, tax relief remains the main tool of State support for the private sector and all flagship projects in recent years have benefited from it, including the purchase by Aircalin of two Airbus aircraft, delivered in 2019; the construction of a hotel in Lifou; and the equipping of the metallurgical plants.

B. Mineral resources

27. According to the report of the Overseas Issuing Institute for 2018, New Caledonia, with 7 per cent of the world's nickel reserves, is the fifth-largest source of that metal in the world, after Indonesia (22 per cent), Australia (20 per cent), Brazil (12 per cent) and the Russian Federation (8 per cent). Cobalt is also mined commercially, and deposits of iron, copper and gold have been discovered and mined on a small scale in the past. New Caledonia has jurisdiction over nickel, chromium and hydrocarbons with regard to the regulation and enforcement of rights, including export licences. Mining is carried out by about a dozen operators, the largest of which are SLN, the Nickel Mining Company, Vale New Caledonia and Koniambo Nickel. The other operators are small-scale miners, who may or may not be owners of mining claims and supply the SLN plant with or export crude ore.

28. According to the administering Power, the level of nickel ore exports has risen sharply in recent years, from 24 million tons in 2014 to 32 million tons in 2018. Metallurgical production also increased, from 78,708 tonnes in 2014 to 117,054 tonnes in 2018. New Caledonia also exports cobalt carbonate, with volumes similarly rising, from 373 tons in 2014 to 1,734 tons in 2018. A total of 6,000 people were employed in the mining and metallurgy sectors in 2017 (including those employed in related activities, such as contractors, ore transporters and temporary workers), a slight drop compared with 2016 (6,200).

C. Construction and manufacturing

29. The construction and public works sector accounted for an average of 11 per cent of the wealth generated and employed some 8.3 per cent of wage earners in the Territory in 2018. As at 31 December 2018, there were 7,727 companies in the sector, 12.8 per cent of the total. According to the administering Power, after several years of sustained growth, this sector is now suffering following the completion of major projects and the slowdown in new housing construction.

30. According to the administering Power, the development of the manufacturing sector is faced with high investment and production costs owing to the small size of the local market and the island status of the Territory, which raises the cost of inputs. To address those handicaps, the local authorities have launched a proactive policy to protect local production and offer tax incentives.

D. Agriculture and fisheries

31. Although the primary sector (excluding mining) represents around 1.3 per cent of wealth generation and wage employment (with at least 1,670 wage earners each year), it is nonetheless the principal sector of activity of much of the rural population. The census of agriculture conducted in 2012 showed that around 13,000 people were engaged in family farming. According to the administering Power, New Caledonia is not self-sufficient in most agricultural and livestock sectors and thus remains heavily dependent on imports. The agricultural sector includes a food-crop farming component not included in accounting statistics but whose production level is estimated to be equal to that of the business sector.

E. Transport and communications

32. The Territory has a good road system in and around Nouméa. Road infrastructure in the rest of the Territory is gradually improving (see [A/AC.109/2019/11](#)).

33. Since 1 January 2000, New Caledonia has had authority over international traffic rights and air carrier operational programmes. Powers in policing and security in respect of air traffic were transferred, for domestic traffic only, on 1 January 2013. The New Caledonia Air Services Agency, a public enterprise of New Caledonia, is responsible for ensuring the continuity of air services. To that end, it owns 99.38 per cent of the shares in the airline Air Calédonie International. Five international companies operate regular flights to the Territory. In 2017, 529,450 passengers (arrivals and departures) were registered at Nouméa-La Tontouta International Airport. Frequent international flights connect the airport to neighbouring countries and territories (Australia, New Zealand, Fiji, Vanuatu and French Polynesia) as well as Japan. There are regular services from the Nouméa-Magenta domestic airfield to the other islands and major towns in Grande Terre. Air Calédonie International owns four Airbus aircraft for its operations. In 2019, it brought two new Airbus A330neo aircraft into service, replacing two older aircraft.

34. Regarding domestic service, New Caledonia has 14 airfields open to public air traffic. Public domestic air transport is provided by two companies, the main one of which is Air Calédonie. Domestic traffic in 2018 totalled 454,000 passengers (arrivals and departures), much the same as in 2016 and 2015. Work is under way to expand and redesign the Nouméa-Magenta airfield to cope with increasing domestic traffic, financed under the development contract between the French State and New Caledonia for the period 2017–2021.

35. The telecommunications sector includes the territorial operator, the Post and Telecommunications Office of New Caledonia, and its partners. In recent years, Internet facilities and usage have grown rapidly. The stated goal is to further reduce the digital divide and facilitate Internet traffic. The Post and Telecommunications Office is currently studying the possibility of connecting with another international submarine cable to secure international connectivity for New Caledonia for the next 25 years.

F. Tourism and the environment

36. In the view of the administering Power, New Caledonia, with its geographical location and cultural richness, has real strengths and considerable tourism potential that has not yet been fully tapped. Tourism thus could be a driver of the Territory's economic development. The tourism sector accounts for a little more than 2 per cent of GDP and 5,500 jobs. In 2018, 120,343 tourists visited the Territory, a decrease of 0.3 per cent compared with 2016, and 456,030 cruise ship passengers stopped over in New Caledonia, 48,840 fewer than in 2017. New Caledonia is developing the Chinese tourism market through "destination contracts". Some 1,200 tourists are thus expected to visit the Territory by charter flight in 2020, and 20,000 a year thereafter following the potential opening of a direct air link between China and New Caledonia.

37. The administering Power indicates that New Caledonia has a unique natural heritage characterized by a high rate of endemism, in particular in terms of flora (76 per cent); striking land ecosystems (rainforest, maquis shrubland), some of which are particularly endangered (dry forest); and the second-largest coral reef in the world after the Great Barrier Reef in Australia. According to the administering Power, the various threats to this biodiversity have attracted the special attention of non-governmental organizations. Biodiversity conservation is also at the heart of

government concerns. Various initiatives are being undertaken by the three provinces, which are responsible for environmental matters, and by the Government of New Caledonia in the exclusive economic zone (see [A/AC.109/2018/11](#) and [A/AC.109/2019/11](#)).

IV. Social conditions

A. General

38. According to the Overseas Issuing Institute report for 2018, the Territory's human development index rose by 15 per cent between 1990 and 2010, driven by its social component (education and health), which accounted for 80 per cent of that increase, and its economic component, 20 per cent. The adult literacy rate is over 96 per cent and school enrolment (all levels) stands at 89 per cent. Nevertheless, according to the French National Institute of Statistics and Economic Studies, the Territory suffers from inequalities and imbalances in several areas, including the social and economic spheres (see [A/AC.109/2019/11](#)).

39. On 1 October 2019, a new measure to combat the high cost of living came into effect, resulting from a multi-industry agreement signed on 27 September 2019 by all professionals in local production, import and distribution: the price/quality shield. The scheme was developed and piloted by the Government of New Caledonia, which has competence in this area. Set up for the overseas departments under Act No. 2012-1270 of 20 November 2012, known as the "Lurel Law", which addresses economic regulation and various other matters in the overseas departments, the price/quality shield is a price moderation tool whose objective is to set a maximum value for a basket of everyday consumer goods in order to maintain consumer purchasing power and develop competition to encourage a lasting fall in prices. In order to adapt the price/quality shield to the diversity of retail outlets, three baskets benefiting from a significant drop in prices have been set up in New Caledonia, according to the size of the retailers concerned. In 2019, the Government of New Caledonia also allocated credits to modernize consumer tools in order to make the price observatory into a tool to warn of and analyse price drifts. At the same time, the High Commissioner has been conducting analyses with the banks with a view to reducing fee disparities for individual customers compared with metropolitan France. As a result, in 2019, most fees were either equivalent to or lower than those in metropolitan France.

40. The concept of economic rebalancing is rooted in the Nouméa Accord and in the aim of achieving a more harmonious distribution of job and wealth creation throughout New Caledonia in preparation for the Territory's potential accession to full sovereignty. This concept led to the development of a formula for budgetary allocations that proactively favours the North (31.3 per cent) and Loyalty Islands (16 per cent) Provinces on account of their demographic weight and the imbalances to be corrected. It has also resulted in the development of the Voh-Koné-Pouembout area in the North Province, an area covered by two successive development contracts (2011–2016 and 2017–2021), and the establishment of a nickel plant in the North Province (Koniambo Nickel, in partnership with Glencore) (see [A/AC.109/2019/11](#)).

41. The administering Power also indicates that it has concluded development contracts with the Territory's three provinces (North, South and Loyalty Islands) and 33 municipalities. These subsidies have helped to support not only the development of municipalities in the interior and on the islands, but also the four municipalities of the Greater Nouméa area, thereby addressing shortfalls in primary amenities (drinking water, roads, sanitation, miscellaneous public facilities) and other infrastructure (see [A/AC.109/2017/11](#)). In the South Province, the construction of a

metallurgical plant has also received support from the administering Power and local authorities. This plant, located in Goro, is operated by the Vale New Caledonia company. A 95-per-cent share of the plant is owned by Vale Canada and a 5-per-cent share is owned by Société de Participation Minière du Sud Calédonien, a holding company belonging to the three provinces. The Goro plant uses a hydrometallurgical process, which makes it possible to exploit low-grade nickel ore (see [A/AC.109/2017/11](#)). In November 2019, Vale announced the shutdown of the refinery, given the technical difficulties encountered, and announced its intention to find a buyer for its share in the capital of Vale New Caledonia.

B. Employment

42. According to the French National Institute of Statistics and Economic Studies, the private sector employed 65,820 people in the second quarter of 2019, a stable level compared to the second quarter of 2018.

43. Also according to the Institute, in the second quarter of 2019, the trade sector employed 10,220 wage earners, a decrease of 0.6 per cent compared with the previous quarter, while the agriculture sector employed 1,690 wage earners, a stable level compared to the previous quarter. The non-commercial services sector accounted for 33,260 jobs in the second quarter of 2019, up 0.4 per cent, quarter-on-quarter.

44. According to the administering Power, New Caledonia is emerging from a period of sustained activity. The unemployment rate as defined by the International Labour Office was 11.9 per cent in 2018, compared to 11.6 per cent in 2017, higher than in metropolitan France, where it is 9.1 per cent, but much lower than in overseas France. More than half of the unemployed are between the ages of 25 and 49. Unemployment is higher among Kanaks than among the population in general. The unemployment rate for Kanak men in particular is, at 16 per cent, 6 points higher than the overall male unemployment rate. The unemployment rate for Kanaks is among the lowest when compared with that of all the overseas departments. The South Province continues to post the best general employment indicators. That said, when only the male population is taken into consideration, access to jobs appears to be easier in the North Province. The Loyalty Islands Province continues to lag far behind in labour market terms.

45. In December 2016, the Congress adopted a country law to promote the employment of locals in the New Caledonian civil service (see [A/AC.109/2017/11](#)). In addition to the corrective measures taken to ensure rebalancing (see [A/AC.109/2016/11](#)), the administering Power is committed to addressing the issue of the “caledonization of jobs” by promoting the return to New Caledonia of local officials posted to metropolitan France.

C. Education

46. In 2019, enrolment in New Caledonia schools stood at 69,983, with 34,714 students in the 267 public or private primary schools and 30,224 students in public secondary schools and private secondary schools under contract (17,323 in 58 colleges and 12,901 in 21 lycées of different types).

47. The Cadres Avenir scheme is a management training programme implemented by the administering Power as part of the rebalancing provided for in the Nouméa Accord. The 1,505 New Caledonians who have followed the 1,782 training paths are providing their expertise to various communities, governments and enterprises in New Caledonia. Some 71 per cent of those trainees are of Kanak origin. The success

rate is high: 95 per cent of trainees find employment within three months of their return to New Caledonia. Since 2006, the administering Power has maintained its financial commitment in this regard at 644 million CFP francs (approximately \$5.63 million), while New Caledonia provides 55 million CFP francs (\$512,000). New initiatives have been undertaken to identify and train individuals in the fields of excellence listed in the previous working paper ([A/AC.109/2018/11](#)).

48. Adapted military service is a mechanism that fosters the social and vocational integration of young people in difficult circumstances. It is aimed at people aged 18 to 25 in the overseas territories who suffer the most from unemployment and are often marginalized (see [A/AC.109/2019/11](#)). According to the administering Power, universal national service, a path of civic education and engagement, piloted in 2019 in 13 departments and targeting young people aged 15 to 18 years after the fourth year of secondary school, is expected to be gradually expanded beginning in 2020. That roll-out should be subject to prior consultation by the administering Power with the local government and the three provinces, in order to organize the modalities for the establishment of such a system in the Territory. Civic service volunteering, a multifaceted civic engagement scheme, is supported by the administering Power, including the development of voluntary service in the public interest, for young people between the ages of 16 and 25, regardless of qualification, and for young people with disabilities up to 30 years of age. The University of New Caledonia is a public scientific, cultural and vocational institution that comes under the Ministry of Higher Education, Research and Innovation and serves as an instrument of development, construction and rebalancing in New Caledonia. It derives special institutional legitimacy from the Nouméa Accord, point 4.1.1 of which calls upon the institution to address the specific research and training needs of New Caledonia. The University has about 3,200 students and opened a North Province campus in 2019.

D. Health

49. Since 1980, New Caledonians have gained an average of three months of life expectancy each year. In 2017, it reached 77.4 years of age (80.1 years for women and 75.1 years for men) compared to 66.5 years in 1980 (see [A/AC.109/2019/11](#)).

50. According to the Overseas Issuing Institute, the New Caledonia health system has seen a rapid increase in its supply of medical services, particularly hospital services. New Caledonia has to cope with an ageing population increasingly affected by chronic diseases. This development in the health situation increases stress in the health insurance system, which is in deficit. Faced with the challenge of ensuring the sustainability of the health system, the public authorities have put in place a plan for a profound reform of the economic model of the New Caledonian health system.

51. The Territory has two public hospitals (with a capacity of 539 beds and 47 spaces for one-day hospital stays in medicine, surgery and obstetrics), a private clinic (with a capacity of 270 beds) and a specialized psychiatric and geriatrics hospital (with a capacity of 185 beds and 83 spaces for one-day hospital stays).

52. The Koutio Médipôle hospital near Nouméa, which was built at a cost of 50 billion CFP francs, has been operational since 2017. In Nouméa, the three private clinics were consolidated to create a single-site private hospital in Nouville, which opened in September 2018. In the North Province, hospital services were restructured with the construction of a new, 64-bed hospital in Koné, at a cost of 6 billion CFP francs, and the reconfiguration of activities at the Koumac and Poindimié sites to focus on follow-up care and rehabilitation. At the provincial level, integrated public health care is provided through medical and social services centres in almost every town in the Territory.

V. Relations with international organizations and partners

53. Organic Act No. 99-209 establishes the legal framework governing the establishment of external relations by New Caledonia. New Caledonia has been an associate member of the Economic and Social Commission for Asia and the Pacific since 1992. It became an associate member of the Pacific Islands Forum in 2006 and a full member in 2016. In 2017, New Caledonia attended the Forum, held in Apia, as a full member for the first time. This was an important step in the implementation of the Nouméa Accord towards a greater international role.

54. New Caledonia is also a full member of the Pacific Community, the oldest regional organization in the Pacific, which has its secretariat in Nouméa. Other regional arrangements to which New Caledonia is a full party include the Oceania Regional Environment Programme, the Oceania Customs Organization and the South Pacific Tourism Organization. It participates under different statutes in the work of the Pacific Islands Forum Fisheries Agency (as an associate member), the Western and Central Pacific Fisheries Commission (as a participating territory), the Pacific Islands Development Forum (participating in the work, without any special status), the World Health Organization (with a non-voting seat on the Regional Committee for the Western Pacific) and the Oceania Regional Anti-Doping Organization (as a participating member). Regional cooperation among universities has gained momentum since 2013. For example, the Pacific Islands Universities Research Network, formally established on 10 July 2013, brings together 11 Pacific Island universities and aims to contribute in a more structured way to the training of young professionals and development in the Pacific. It thus represents a genuine regional platform to support public policies. Finally, New Caledonia, with the support of the Government of France, was granted associate membership in the International Organization of la Francophonie in 2016 and in the United Nations Educational, Scientific and Cultural Organization in 2017. It has been participating in the Global Island Partnership and the Big Ocean network since 2018.

55. New Caledonia has continued to strengthen its ties with the European Union, with which it holds the status of associated overseas territory, as conferred by the Treaty of Rome. The European Commission office for the Pacific overseas countries and territories is based in Nouméa. Under the eleventh European Development Fund, New Caledonia will receive 29.8 million euros (3.6 billion CFP francs) between 2017 and 2020. New Caledonia has chosen to direct the funds towards implementing the strategy on employment and vocational integration for the period 2016–2020. Over the same period, New Caledonia, together with the other three overseas countries and territories in the Pacific, has benefited from a regional envelope under the eleventh European Development Fund amounting to 36 million euros for the implementation of a regional cooperation project. The Pacific Territories Regional Project for Sustainable Ecosystem Management aims to improve the resilience of economic sectors (agriculture, forestry, fisheries and aquaculture) to climate change and to promote integrated water and invasive species management. Lastly, New Caledonia is also involved in the work of the Association of the Overseas Countries and Territories of the European Union, of which it assumed the vice-presidency in 2019 and will take over the presidency in the first quarter of 2020.

56. In January 2012, the French Minister for Cooperation, the French Minister for Overseas Territories and the President of the Government of New Caledonia signed an agreement on the hosting of representatives of New Caledonia in French diplomatic and consular missions in the Pacific (Oceania). The first New Caledonia representative was appointed to work out of the French Embassy in Wellington in 2012. According to the administering Power, on 9 March 2017, the Congress of New Caledonia adopted, by a majority, a country law on New Caledonia representatives

that allows the Territory to be represented in States or territories in the Pacific. The conditions for their selection and training were defined in decision No. 84/CP of 16 May 2017. In September 2017, New Caledonia launched the selection campaign for the recruitment of four new delegates, who are serving in French diplomatic posts in the region following a period of training and internships that ended in June 2019. Four delegates took up their posts in 2019 in the French embassies in Australia, Fiji, Papua New Guinea and New Zealand. The fifth delegate will take up his duties at the French Embassy in Vanuatu in 2020.

57. The years from 2016 to 2018 were marked by heavy investment by the Government of New Caledonia in the development of relations with neighbouring States (see [A/AC.109/2017/11](#)). In addition to the tripartite cooperation agreement initiated in 2012 between France, New Caledonia and Vanuatu, and regularly renewed since then, New Caledonia has strengthened its cooperation with Vanuatu by signing a joint cooperation plan in 2017. New Caledonia signed similar cooperation plans with New Zealand in 2016 and Papua New Guinea in 2018, and intends to conclude two new plans, with Australia and Fiji. The Government of New Caledonia intends to develop its economic diplomacy in the area through such bilateral agreements. In this regard, an economic diplomacy mission visited Papua New Guinea in July 2018 and a preparatory economic diplomacy mission to Fiji took place in July 2019.

VI. Position of the administering Power

58. Speaking before the Fourth Committee at its 8th meeting, held on 16 October 2019, on the question of New Caledonia (see [A/C.4/74/SR.8](#)), the representative of France said that his country had been cooperating fully with the United Nations on the question of New Caledonia for over 30 years. He added that such cooperation took place within the framework of the Nouméa Accord. The Accord, negotiated by the people of New Caledonia with the support of the State, marked out a path enabling the definition of the institutional future of New Caledonia in a peaceful environment. The fundamental principles of neutrality, dialogue and respect for democratic choices were guaranteed by the State, while the United Nations, and in particular the Special Committee, brought transparency and legitimacy to the process. He said that an important step in the implementation of the Nouméa Accord had taken place on 4 November 2018, with the organization of a referendum during which New Caledonia voters had been invited to respond to the question: “Do you want New Caledonia to accede to full sovereignty and become independent?” The results of the poll, marked by a high turnout of 81.01 per cent of the electorate, had been as follows: 56.67 per cent of voters had said “no” to the independence proposal. In accordance with the Nouméa road map, a second consultation would be held in August or September 2020, and a third in 2022. The political partners would then meet to discuss the outcome, in a spirit of dialogue for which the State would act as guarantor.

59. The representative of France added that the organization of the referendum had led to enhanced cooperation between France and the United Nations. At the beginning of 2019, France had hosted, for the fourth year running, a United Nations expert mission that had provided expertise with regard to the revision of the various electoral rolls. Their comments had been taken into account by the French authorities. A panel of United Nations experts, as well as a ministerial mission from the Pacific Islands Forum, had also come to New Caledonia to observe the organization of the referendum on 4 November 2018.

60. The representative of France recalled that his country’s cooperation with the United Nations was not limited to the referendum. Each year, under Article 73 of the Charter of the United Nations, France transmitted its contribution to update the

working paper on New Caledonia. Furthermore, at the invitation of France, the Special Committee had visited New Caledonia for the second time in 2018 and had seen the political, socioeconomic, cultural and educational measures taken to ensure full implementation of the 1998 Nouméa Accord. France had followed the recommendations contained in the report of the Special Committee with regard to the importance of the public information campaign on the implications of the referendum. He concluded by thanking the United Nations, in particular the Fourth Committee, the Special Committee and the United Nations Secretariat, for the invaluable support provided to France in the demanding, transparent and serene process of consultation on accession by New Caledonia to full sovereignty.

VII. Consideration of the question by the United Nations

A. Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

61. The representative of Papua New Guinea, speaking also on behalf of the Melanesian Spearhead Group, and the representative of Fiji made statements on the question of New Caledonia at the 10th meeting on 27 June 2019 (see [A/AC.109/2019/SR.10](#)). The Special Committee having granted the requests for hearing at the 3rd meeting, held on 17 June, Roch Wamytan, President of the Congress of New Caledonia, and Mickäel Forrest, the representative of FLNKS, also made statements.

62. At the 11th meeting, on 28 June, the Special Committee adopted, without a vote, a draft resolution on the question of New Caledonia ([A/AC.109/2019/L.22](#)) submitted by the representatives of Fiji and Papua New Guinea (see [A/AC.109/2019/SR.11](#)).

B. Special Political and Decolonization Committee (Fourth Committee)

63. At the 7th meeting of the Fourth Committee, held on 15 October 2019, the Permanent Representative of Papua New Guinea (speaking also on behalf of the Melanesian Spearhead Group) made a statement (see [A/C.4/74/SR.7](#)). At the 2nd meeting, on 7 October, and the 8th meeting, on 16 October, respectively, statements were also made by the representatives of Iraq and France (see [A/C.4/74/SR.2](#) and [A/C.4/74/SR.8](#)).

64. At its 4th meeting, on 10 October, the Committee also heard a statement by Mickäel Forrest, the representative of FLNKS; he was the only petitioner to address the Committee on New Caledonia (see [A/C.4/74/SR.4](#)).

65. At its 9th meeting, held on 17 October, the Committee adopted, without a vote, a draft resolution on the question of New Caledonia (see [A/C.4/74/SR.9](#)).

C. Action taken by the General Assembly

66. On 13 December 2019, the General Assembly adopted, without a vote, resolution [74/106](#) on the basis of the report of the Special Committee transmitted to the Assembly ([A/74/23](#)) and its subsequent consideration by the Fourth Committee.

Map of New Caledonia

