



NINTH CONFERENCE OF THE PACIFIC COMMUNITY
(Alofi, Niue, 3–5 November 2015)

AGENDA ITEM 5: THEMATIC DISCUSSION

RESILIENT PACIFIC PEOPLE – TURNING THE TIDE

Summary

1. Pacific people are proud of their diverse cultures and rich experiences, and of the unique and challenging environment of the Pacific region. These are foundations upon which to build a resilient future. The members and secretariat of the Pacific Community (SPC) have the responsibility to lead the task of capitalising on the strengths and opportunities within our region to build resilient futures for Pacific people.
2. Pacific Island countries and territories (PICTs) face many, multi-faceted challenges.¹ Rather than allowing these challenges to define the region, Pacific responses to these challenges should inspire the region's collective strengths.
3. These challenges have unlocked ingenuity, innovation, determination, constructive development partnerships, and an extraordinary resilience. These traits are found in all aspects of Pacific people, culture and environment. Combined with the necessary political will, resources and meaningful partnerships, they are a solid foundation for a prosperous future.
4. While small island developing states have been recognised as having a specific set of vulnerabilities and development challenges,² the Pacific narrative must focus on a resilient people facing a changing environment with fortitude, dignity and determination – we are proactive, positive adapters. It is important that we invest in the solutions and practical examples of success to achieve empowerment, inclusive growth and sustainable development.
5. We need to build on our successes, embrace innovation, and document and share our experiences, to 'turn the tide' towards achieving national and regional development goals, through:
 - i. **Promoting self-determination** – by tailoring development goals, benchmarks and institutions that fit Pacific values and needs; and placing people, and the pursuit of equality, at the centre of development.

¹ These challenges include capacity limitations, isolation, narrow resource bases, diseconomies of scale, rapid levels of urbanisation, rapid modernisation of lifestyles, poverty of opportunity, 'brain drain', governance, dependency on imports and fossil fuels, exposure to natural disasters, exposure to shocks from global crises, and the implications and impacts of climate change.

² The Third International Conference on Small Island Developing States (SIDS Conference) was held from 1 to 4 September 2014 in Apia, Samoa. It aimed to focus the world's attention on what it described as: 'a group of countries that remain a special case for sustainable development in view of their unique and particular vulnerabilities.'

- ii. **Building and supplementing capacity** – by investing in people’s health, education and skills, and drawing on our transnational communities in innovative ways.
 - iii. **Maximising returns on our natural resource base** – through the sustainable development of, and adding value to, our natural resources (including fisheries, forestry, land, agriculture and deep sea minerals), and finding more creative ways to plan the utilisation of sustainably managing land and marine resources.
 - iv. **Reducing the tyranny of distance and isolation between and within countries** – building virtual bridges through information and communications technology (ICT); and developing robust and affordable transport, in particular shipping.
 - v. **Reducing reliance on imports** – increasing in-country food security and production, promoting green energy³ and technologies, and increasing the promoting renewables, energy efficiency and conservation.
 - vi. **Reducing vulnerability to climate change and natural disasters** – drawing on our knowledge, social capital, partnerships, and scientific and technical skills to reduce risk; deploying integrated approaches and focusing on co-benefits with development; increasing access to climate finance for PICTs and the region; and leading by example.
6. These are realistic aspirations, which require strong and inclusive leadership and commitment at all levels, leveraging the various agreements made by Pacific leaders, including in: the Framework for Pacific Regionalism, mandated by Pacific Islands Leaders at their annual Forum in 2014; the small island developing states (SIDS) Accelerated Modalities of Action (SAMOA) Pathway, 2014; the promises of the Addis Ababa Action Agenda (AAAA) on financing for development; the aspirations entrenched in the 2030 Agenda for Sustainable Development, incorporating the Sustainable Development Goals (SDGs) and 169 targets proposed by the Open Working Group in 2014; and the climate-related commitments that may be made at COP 21.
7. The Pacific region is diverse, and solutions and responses to development challenges must be sensitive to specific cultural, physical, economic and political environments. The collective experience of positive initiatives across a range of key areas provides a platform of best practice that can be replicated, in building a resilient and prosperous future for Pacific people.

Recommendations:

8. Conference is invited to:
- i. endorse a focus on pursuing practical solutions to the challenges and vulnerabilities facing the Pacific region, which build on opportunities presented by political agreements and best practice solutions, and embrace effective partnerships;
 - ii. endorse an approach of documenting experiences and success stories across key areas of sustainable development, with a view to scaling up and replicating these across the region;

³ The Pacific has great potential for a wide range of new blue-green energy technologies, including geothermal energy, ocean thermal technology, combined geo-ocean thermal technologies, wave and tidal-generated energies, and hydroelectric power for the mountainous islands.

- iii. endorse the fostering of productive partnerships that are results-orientated and founded on mutual respect and accountability;
 - iv. endorse the inclusion of all stakeholders, including vulnerable and marginalised groups, in the identification of development issues and in the formulation of sustainable solutions ;
 - v. affirm SPC's role as a hub for fostering the development and sharing of best-practice, sustainable development solutions, in cooperation with other CROP agencies, and support the future expansion of this role, subject to resources.
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RESILIENT PACIFIC PEOPLE – TURNING THE TIDE

Purpose

9. This paper presents ideas for approaching the challenges and vulnerabilities facing Pacific Island countries and territories (PICTs). It proposes building on political commitments made by Pacific Community leaders, and replicating success stories in the region. It provides an opportunity for the Pacific Community to discuss practical and innovative actions to reverse vulnerability and to build resilient futures with, and for, Pacific Island people.

Background

Vulnerabilities and challenges

10. ‘The vulnerability of Pacific SIDS has increased whilst capacity to cope has not.’⁴ This was a common mantra throughout the Rio+20 review processes, and the issue of vulnerability was prominent in assessments leading to the SAMOA Pathway 2014, and was reinforced by the mixed and relatively poor performance of many PICTs in the recent review of the Millennium Development Goals (MDGs). This vulnerability is due, in large part, to the regional challenges of limited capacity, narrow resource base, isolation and distance from markets, limited economies of scale, rapid levels of urbanisation, rapid modernisation of lifestyles, poverty of opportunity, the exodus of skills, appropriate governance arrangements, heavy reliance on imports (food and fuel), exposure to natural disasters and impacts from global crises. Vulnerability has also been exacerbated by the additional pressures of climate change, climate variability and sea-level rise.
11. The impacts of climate change compound sustainable development challenges and create new ones. While PICTs must respond to and drive solutions to these challenges, a significant proportion of the necessary capacity, resources and responsibility to do so must also derive from climate finance. This finance must be accessible and provided in a way that allows PICTs and their institutions to work on climate-related challenges alongside existing development efforts. The region is well placed to escalate implementation of efforts through inclusive, effective partnerships.

Agreements on sustainability are a platform for change

12. 2015 marks 30 years of international agreements on sustainable development, some of which have resulted in agreements that will set critical global benchmarks for future global sustainability.
13. Global and regional agreements will affect the way in which PICTs and their people meet the challenges we face, to build prosperous and resilient futures. PICTs will need to customise and entrench the essence of these agreements in their own country systems, monitor progress and facilitate corrective action over time. These country systems must be the basis for the engagement of development partners and their resources, and climate finance, through genuine and durable partnerships. Political commitment, accountability and transparency are necessary ingredients on all sides.

⁴ 2011 Pacific Position Paper for Rio+20; and the SIDS Conference, 2014, Samoa.

Issues

'Turning the tide' towards achieving development goals

14. Sustainability has long been the essence of Pacific life, and runs through many aspects of our histories and cultures, and in interactions with our natural environment. It is this foundation that provides the basis for focusing on initiatives that work, and for fixing, or avoiding, those that do not. PICTs need to harness these targeted, 'best practice', initiatives, across the range of challenges facing the region. Some, that are particularly relevant to the Pacific Community, are touched on in this paper, and members are encouraged to share their own experiences and best practice examples. A compilation of these best practices is envisaged as an evolving resource upon which to foster action. SPC already acts as a hub for fostering the development and sharing of best-practice, sustainable development solutions, in cooperation with other CROP agencies, and this role should be encouraged and expanded, subject to resources. The possible future formalisation of a 'Pacific Regional Centre of Excellence on Building Resilience', as a formal knowledge hub and information centre, would institutionalise the collation and sharing of best practices.

Self-determination (*setting tailored goals; people at the centre, including marginalised and vulnerable groups*)

15. As PICTs tailor global development goals and indicators to their own situations, cultural heritage and communal values, it is essential that these arrangements continue to be well informed and underpinned by robust data collection, analysis and management systems (such as those that have been developed and maintained by SPC and PICTs through the Pacific regional statistics database⁵), as well as by spatial, hazard and risk information in SPC's Geographical Information Systems.⁶ Further, it is critical that these strengthened country systems⁷ are the basis for engaging with, and harmonising support from development partners. SPC has embarked on a number of such country framework development agreements,⁸ providing more predictability about support aligned with country plans over time.
16. Putting our most valued assets at the centre of development, our people, and including marginalised and vulnerable groups (such as youth and women), is critical. Engaging youth in meaningful employment and decision-making processes that will shape their futures is imperative. The Youth@Work programme has demonstrated, over three years, how youth can lead their own development through unlocking entrepreneurship opportunities through business training and micro-finance in urban settings. The programme works in rural areas by empowering youth to implement climate change adaptation activities in their home villages and to start village-based agricultural or fisheries businesses for sustainable food security and income generation. SPC divisions are using Youth@Work teams to fight non-communicable diseases (NCDs), to develop an ICT workforce, to mainstream disabled youth into the workforce, and to enable youth to start their own organic farming businesses in rural areas.

⁵ Pacific Regional Information System (PRISM) is a website hosted by the Pacific Community (SPC). which serves as a tool whereby SPC member states and territories own, manage and update their respective websites independently.

⁶ SPC GIS and disaster risk management programmes capture and store significant data for sustainable development and land use planning as well as risk modelling that can be used for potential insurance arrangements; e.g. Pacific Catastrophe Risk Assessment and Financing Initiative (PCRAFI) with the World Bank and other partners: <http://pacris.sopac.org>

⁷ Including through public financial management assessments/reform and efforts under the Forum Compact.

⁸ Memorandum of understanding (MoU) signing with PNG and Tonga, with all other members expected to be completed in 2016.

17. The economic empowerment of women remains underachieved, and a key challenge in the region's development. The Skills Building programme, led by Samoa's Ministry of Women, Community and Social Development (MWCSO), aims to support women's social and economic empowerment by providing resources and training for vegetable gardening and production, garment making through sewing, handicraft production, and 'elei' and fabric arts. It also provides a space for women to discuss social issues affecting their lives, where participants can also reflect on solutions to address those issues. This programme has been successful in providing basic skills for women to earn a living to support their families and contribute to national efforts on resilience and income-generation activities. SPCs Community Education Training Centre (CETC) graduates have also contributed to this initiative.

Building and supplementing capacity (*health and education; drawing on our transnational communities in innovative ways*)

18. It is essential to ensure Pacific people maintain quality of life and life expectancy, and are able to contribute productively to their economies and families. Arresting the alarming trends of NCDs (diabetes, obesity, cancer, heart disease, etc.) in the region is essential. Collective experiences and efforts to this end are being coordinated through a multi-sector approach, the Pacific NCD Network/Partnership,⁹ and the associated Pacific Monitoring Alliance for Non communicable Disease Action (MANA)¹⁰ initiative. SPC plays a central role in this arrangement, which seeks to maximise the collective efforts of development partners and countries across the region and internationally, improving the monitoring and surveillance of, and response to, NCDs, and the sharing of best practices.
19. Achievements in universal primary education are encouraging. Access to quality education at all levels, as well as to technical and vocational training, must be significantly improved. Cook Islands has created a 'School-on-the-Internet' service, which delivers lessons to outer island schools which experience shortages of qualified teachers. Niue, in partnership with New Zealand, provides 'student-loan-payback-for-services-rendered' scholarship arrangements for access to New Zealand tertiary institutions. Free education, transport, the provision of nutritious lunches and canteens in schools, and innovative financing/scholarship arrangements, are among a mix of best practices that need to be shared and potentially replicated and scaled up across the region.
20. A significant, and largely under-tapped, capacity and resource base exists in our transnational Pacific community. The high volume¹¹ of remittances from many PICT diasporas over the years is evidence of the substantial contribution that Pacific people can make to their homelands, wherever in the world they reside. Even greater possible returns, through remittance of their intellect, skills, traditional knowledge and capacity to support the development agendas of our PICTs, could be facilitated using innovative employment and placement arrangements, underpinned by sufficient connectivity technology and financing. The physical location of people need not be a barrier to drawing on their capacity to underpin development in the region, particularly with ongoing ICT advances.

⁹ <http://www.pacificncdnetwork.org/>

¹⁰ <http://www.pacificncdnetwork.org/pacific-mana.html>

¹¹ In the Pacific these figures have been estimated at up to 30% of some PICTs' GDPs, and three times official development assistance (ODA) levels.

Maximising returns on our natural resource base

21. PICTs need to continue to build their own economies and generate their own revenue streams, including through maximising the equitable returns from sustainably developing and managing their natural resources. SPC continues to provide support through scientific data, evidence and approaches to sustainable resource use and management across the range of natural resources being utilised by PICTs, including fisheries, forestry, land, agriculture and deep-sea resources. Some key ocean-related efforts that SPC is involved in are highlighted here, and are part of a larger, comprehensive approach towards sustainable ocean resource development and management that is being promoted under the Pacific Ocean Alliance,¹² a partnership jointly launched by the Pacific Islands Forum Secretariat (PIFS) and SPC as part of the SAMOA Pathway 2014 to support PICTs.
22. Coastal fisheries resources provide the primary or secondary source of income for around half of all households, on average, in the Pacific region. Among rural populations fisheries provides between 50 and 90 per cent of animal-sourced protein consumed.¹³ 'A new song for coastal fisheries pathways to change: The Noumea Strategy', (presented at CRGA 45 this year) calls for an enhanced focus on coastal fisheries management, through community-based approaches that provide food security and long-term economic, social and ecological benefits to our communities. This will require scaling up of best practice examples across the region, and multi-stakeholder partnerships supported by SPC, the Forum Fisheries Agency (FFA) and others.
23. The potential of the deep sea is just beginning to be realised. Knowledge about deep-sea resources remains limited. We know there are a range of minerals in different ocean settings, and SPC has made great progress in legal, regulatory, fiscal, geoscientific and environmental thinking in this area, while much work remains to be done. Alongside mineral potential, biological and genetic resources could also be developed. Advanced extraction technologies are being developed, and these may yet become as valuable as the resources themselves. This development must be undertaken sustainably and inclusively, at minimal environmental cost. These considerations have informed the recently endorsed Pacific Islands Regional Deep Sea Minerals Financial Framework, as a basis to guide further work in the region. Cook Islands is a leading example of exploration of the potential of deep sea minerals, and its experiences will provide lessons learned for other PICTs and partners in the region.

Reducing the tyranny of distance and isolation between and within countries (*ICT and shipping*)

24. The establishment of internet-based businesses, remote access to education and knowledge, remote health consultations, and the export and import of specialist services and advice are some examples of the potential across the Pacific if sufficient investment is made in ICT infrastructure, security and the necessary regulatory environment. The merit of establishing a Regional ICT Advisory Council,¹⁴ which is to be assessed at the request of Pacific Islands Forum Leaders, must necessarily consider development potential, and ICT as a means to an end, rather than as an end in itself. SPC's contribution to assessing and measuring development gains and opportunities in the region would provide valuable input to such an assessment. Fiji has unlocked some of the best and most affordable communications options available to connect people to each other and to opportunities around the world, through deregulating communications. Vanuatu is making great advances in many areas through the use of sub-marine cable, good competition, regulation, universal access and e-government. Samoa is using ICT in education – all secondary schools are now

¹² <http://www.sids2014.org/index.php?page=view&type=1006&nr=2582&menu=1507>

¹³ A new song for coastal fisheries: The Noumea Strategy, SPC, 2015.

¹⁴ Pacific Islands Forum Leaders tasked the Forum Secretariat and USP to consider the merits of a regional ICT Advisory Council.

connected to a broadband network, have a computer lab, digital teaching and learning resources, and teachers have been trained in ICT. Cook Islands now has good ICT services, and has created a 'School-on-the-Internet' service. This kind of practical experience should contribute to, guide and inform ICT development in the region.

25. Establishing the Central Shipping Commission is a good example of an initiative that has alleviated distance-related challenges in the region, by reducing the vulnerability of members to the crippling transport and sea freight costs that underpin trade and significantly affect the costs of necessary imports.¹⁵ Investment in its replication in the eastern Pacific, as requested by transport ministers in 2014, is undergoing country consideration. Melanesia is also engaging in a feasibility study, supported by the Government of Papua New Guinea (PNG), to explore a similar model in the sub-region. SPC continues to support these sub-regional public-private partnerships.
26. Innovation in green-blue technologies is developing rapidly, and it is important that the region remains engaged in these discussions and explores possibilities compatible with regional needs. SPC recently engaged with South Korea in relation to that country's development of 'flying boats' or 'Wing-in-Ground technology', which 'flies' three metres above sea level at 200 km per hour and use 25% of the fuel of a conventional aircraft.

Reducing reliance on imports and exposure to global shocks (*food and energy security*)

27. The region remains highly dependent on imported foods. Large areas of land remain untapped for agricultural development in many PICTS, and SPC can assist the region with effective land use planning, encouraging South-South collaboration to introduce new agricultural practices, and working with Pacific governments to increase agricultural production with the objective of achieving food security, reducing reliance on imports and developing niche, high-value cash crops. SPC targets many aspects of food security, including agriculture production, the development and security of appropriate crop varieties, effective coastal fisheries management, fresh water fisheries, aquacultures and mariculture to increase food production and livelihoods, and monitoring nutritional deficiencies and NCD rates across the region. These broad areas of SPC's work and collaboration¹⁶ contribute to addressing nutrition and food security in the region.
28. The region remains heavily dependent on fossil fuels, with the highest prices for fossil fuels in the world, resulting in the highest power tariffs and transportation costs. However, PICTs have the highest per capita potential for renewable energy than in any other region of the world.¹⁷ Co-benefits for climate change mitigation have more recently created opportunities from fossil fuel dependency and vulnerability. The region's leadership in climate change mitigation efforts¹⁸ has set ambitious targets for the uptake of renewables (ranging from 30% to 100%), efficiency and conservation across the Pacific, entrenching low-carbon development opportunities and supporting long-term energy security. The region now has at least one territory (Tokelau) already at 100% renewable energy electrification, while Fiji, PNG, Samoa and Vanuatu have significant percentages of renewable energy in their total electricity supplies (60%, 66%, 37% and 15%, respectively). Many other states and territories are installing significant on- and off-grid systems. Energy ministers have agreed to the establishment of a Pacific Centre for Renewable Energy and Energy Efficiency (PCREEE) – a Sustainable Energy for All (SE4ALL) Centre of Excellence. SPC will host PCREEE, in

¹⁵ Pharmaceuticals, food and fuel.

¹⁶ SPC hosted a side event at the SIDS Conference in 2014, which was the genesis of a coalition on nutrition and food security in PICTs.

¹⁷ P 29. Explorations in Integrated approaches for SPC: Climate Change and Disaster Risk, SPC, 2015.

¹⁸ Majuro Declaration for Climate Leadership, 2014.

partnership with PIFS, PPA, the Secretariat of the Pacific Regional Environment Programme (SPREP) and the University of the South Pacific (USP), and will be located in a hub in Tonga. SPC is keen to work with Pacific governments to develop transformational plans to improve rural and urban access to electricity and water and to seek finance to implement solutions. Different PICTs will require different solutions, but a range of possible energy sources (including solar, wind, ocean, geothermal and biomass) can be explored.

29. Resourcing for these opportunities is coming from many development partners and initiatives,¹⁹ and opportunities to develop energy efficiency solutions may expand with the operationalisation of the Green Climate Fund (GCF) and the continued development of technology. Up-front costs of renewable systems, energy efficiency and conservation efforts can also be assisted through innovative financing arrangements, such as that being rolled out by the Government of Palau, and the Development Bank of Palau (NDB Energy Loan scheme²⁰), which is also being rolled out in Tonga and Tuvalu. In 2012 the Reserve Bank of Fiji directed all commercial banks to put aside 2% of each of the bank's deposits and similar liabilities for renewable energy loans, which equates to USD 79 million in loans to the renewable energy sector. The Prime Minister of Samoa recently stated that fossil fuels contribute enormously to damaging the environment.

Reducing vulnerability to climate change and natural disasters

30. SPC has worked in disaster risk management (DRM) over many years, and is now also looking at DRM in the context of climate change. Key tangible outcomes of this long period of work include the strengthening of National Disaster Management Offices, increased collaboration and sharing of best practices across the region, improved coordination between disaster response agencies, improved in-country human and physical capacity for disaster and risk, and an improved and informed awareness of the concepts of risks and risk mitigation. SPC, together with the World Bank and PIFS, is embarking on a new form of intervention that will bring the best science and scientific data to the estimation of risk and hazard for PICTs and urban areas, his to improve decision-making on infrastructure, planning and resilience. As outlined in a recent publication, 'Explorations in Integrated Approaches for SPC: Climate Change and Disaster and Risk,'²¹ SPC is working to better mainstream, and provide this support programmatically and comprehensively, across all of its programmes and in partnership with other stakeholders.
31. Simplified access to climate finance is urgently required for capacity to effectively deploy adaptation efforts, reduce risk and facilitate transformational change to low carbon development pathways. The recent operationalisation of the Green Climate Fund is important in this regard. As access to this funding can only be facilitated through accredited entities,²² and given SPC's existing climate change portfolio of projects (currently estimated at about USD 115 million), obtaining SPC's GCF accreditation for these funds would provide more support and options for PICTs to access climate finance, with the necessary capacity support for implementation. SPC, with support from FSM and Niue, is in the process of pursuing accreditation to the GCF, and is also assisting its members in readying themselves to access GCF resources and to harness other climate finance sources (e.g. Global Climate Change Alliance of Pacific Smaller Island States – GCCA:PSIS).

¹⁹ Including the EU, Japan, New Zealand, and partners under the UN-adopted Sustainable Energy for All initiative; SIDS-Dock.

²⁰ Finalist for the 2013 Ashden Awards – the world's leading green energy prize.

²¹ SPC. May 2015.

²² SPREP's recent accreditation to the Adaptation Fund, Global Environment Fund and GCF is a positive step towards supporting the ability of PICTs to access these resources.

Conclusion

32. The Pacific region faces many challenges and vulnerabilities. While raising key issues internationally remains a political priority, PICTs must focus on Pacific-specific solutions,²³ and their scale up individual and collective actions towards addressing societal, environmental, structural, and climate change-related challenges. This will require increased, accessible resources from all sources: domestic, private sector, development partners and donors, Overseas Development Assistance and climate finance.
33. SPC continues to build effective, genuine and durable partnerships, as espoused in the SAMOA Pathway 2014,²⁴ which enrich the responses to the region's priorities. The Pacific Community continues to support its members to pursue local and regional solutions that will 'turn the tide' towards achieving national and regional development goals.

Recommendations

34. Conference is invited to:
 - i. endorse a focus on pursuing practical solutions to the challenges and vulnerabilities facing the Pacific region, which build on opportunities presented by political agreements and best practice solutions, and embrace effective partnerships;
 - ii. endorse an approach of documenting experiences and success stories across key areas of sustainable development, with a view to scaling up and replicating these across the region;
 - iii. endorse the fostering of productive partnerships that are results-orientated and founded on mutual respect and accountability;
 - iv. endorse the inclusion of all stakeholders, including vulnerable and marginalised groups, in the identification of development issues and in the formulation of sustainable solutions ;
 - v. affirm SPC's role as a hub for fostering the development and sharing of best-practice, sustainable development solutions, in cooperation with other CROP agencies, and support the future expansion of this role, subject to resources.

²³ Called for by Pacific leaders in the Niue Declaration on Climate Change 2008, and at the essence of Pacific partnerships submitted in support of the SAMOA Pathway 2014.

²⁴ Outcome of the Third SIDS Conference, 2014, Samoa.