



# Republic of the Marshall Islands: National Report

May 2013

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## I. Introduction

Vision 2018, the RMI’s strategic development plan framework (2003-2018), provides the broad policy and planning framework against which progress achieved or not under various national, regional and international programmes of action, including the Barbados Plan of Action (BPoA) and the Mauritius Strategy of Implementation (MSI), can be measured. Taken together, the goals and objectives of Vision 2018 address the four pillars of sustainable development – Economic Inclusiveness, Social Inclusiveness, Environmental Sustainability, and Peace and Security – that serve as a guide in the post-2015 discussions of development.

### Vision 2018 Goals and Objectives

- |  |                                      |
|--|--------------------------------------|
| 1. Operating in an interdependent world  | 6. Law-abiding people                |
| 2. Enhanced socio-economic self-reliance | 7. God-loving people                 |
| 3. An educated people                    | 8. Respecting human rights           |
| 4. A healthy people                      | 9. Respecting culture and traditions |
| 5. A productive people                   | 10. Environmental sustainability     |

This report represents the RMI’s first step toward preparing for the 2014 SIDS International Conference. That said, Vision 2018 informs the RMI’s ongoing sector planning process. The RMI Government has also begun work on a National Strategic Plan (NSP) to articulate its medium term development goals and strategies. The NSP will aim to set out where the RMI Government wants to be in three/four years, and the design to get there, in line with the overall objectives of Vision 2018.

This report reflects much of this ongoing work to address areas of critical concern to the RMI rather than the totality of points raised under the BPOA and the MSI. These areas of concern will be grouped according to the four pillars while keeping in mind the stated goals of Vision 2018.

## II. Achievements and Challenges in Implementation

The following section assesses the RMI's progress to date in the implementation of Vision 2018, the Barbados Plan of Actions (BPOA), and Mauritius Strategy of Implementation (MSI), as grouped under the four pillars of the post-2015 discussions on sustainable development. The discussion on implementation concludes with a section on the creation of an enabling environment, in recognition of the importance oversight and management play in implementation.

### Peace and Security / Environmental Sustainability

The people of the Marshall Islands intimately understand the link between peace and security on the one hand and environmental sustainability on the other. From 1946 to 1957, the United States conducted 67 atmospheric nuclear tests at Bikini and Enewetak atolls in the Marshall Islands. In the aftermath of the tests, Marshallese have grappled with social, economic and cultural disruptions stemming from forced migration and displacement. This is in addition to the health-related impacts of the testing. The nuclear testing legacy in general has had a long-standing negative impact on the ability of affected communities to undertake sustainable development, because of the limited access to land as well as the disruption to communities and culture. Now Marshallese are confronted by a different kind of atmospheric danger: the existential threat posed by climate change.

#### Climate Change

In a low-lying atoll nation such as the RMI, extremely high vulnerability to the impacts of climate change – sea level rise, coastal erosion, impacts on plants and animals, and changes in rainfall patterns – makes climate change both an environmental sustainability issue and a security threat. At a special meeting of the UN Security Council in February 2013, Minister-in-Assistance Tony deBrum delivered the following statement: “Climate change threatens lives, livelihoods, sovereign territory and, in some cases, the existence of states.” As a security issue, climate change is at the forefront of any discussion of long-term livelihood and sustainability for the islands.

In 2011, the RMI Government adopted the National Climate Change Policy Framework (NCCPF), which sets out the RMI's commitments and responsibilities to address climate change. The NCCPF recognizes that climate change exacerbates already existing development pressures. These pressures arise from extremely high population densities (on Ebeye and Majuro in particular), rising incidences of poverty, a dispersed geography of atolls over a large ocean area (making communication difficult and transport expensive), and a small island economy that is physically isolated from world markets but highly susceptible to global influences. Environmental pressures are also acute, with low elevation, fragile island ecosystems, a limited resource base and limited fresh water resources (exacerbating the reliance on imports) resulting in an environment that is highly vulnerable to overuse and degradation.

Partnerships at all levels of society are key to a successful strategy for responding to climate change. The Micronesia Challenge is an example of a regional partnership that has been translated into local action through the RMI's community-based conservation area management framework called *Reimaanlok*. As part of the MC/*Reimaanlok*, the RMI is working to preserve its cultural heritage through effective conservation of natural resources thereby enhancing resilience to impacts of climate change. The *Reimaanlok* strategy provides relevant agencies with a collection of tools for community engagement. If

the *Reimaanlok* strategy could be coordinated across sectors, it could help enormously in addressing any disconnect between international measures, government policies, non-government organizations and civil society.

#### *Micronesia Challenge: A Strategic Partnership*

- In 2006 RMI, Palau, CNMI, FSM, and Guam commit to conserve 30% of near shore and 20% of terrestrial resources by 2020.
- In 2008 RMI adopts *Reimaanlok: Looking to the Future* as its national conservation area management plan.
- In 2010 RMI prepares a *Sustainable Finance* Plan wherein it projects it must double its annual approx. \$0.5 million contribution and raise a **\$13 million endowment fund** housed at Micronesia Conservation Trust to achieve the Micronesia Challenge goals.

The Micronesia Challenge/*Reimaanlok* is a success story in a generally dismal scenario for climate change action. Since 2006, the Micronesia Challenge has gained increasing international recognition, donor interest, and has even been emulated elsewhere, such as in the Caribbean and Indonesian archipelagos. The failure of the international community to collectively provide an adequate response to climate change threatens any progress the RMI makes on the issue. This is not to say that the RMI is abandoning the international negotiating process. The RMI's Second National Communication (SNC) to the UNFCCC is in its final stages of completion. However, other opportunities to advance the RMI's and SIDS climate agenda must be both created and sought. At the Pacific Islands Forum Summit this coming September, RMI political leaders plan to push for the Majuro Declaration on Climate Change, which will demand action to ensure that a below 2 degree world remains within reach.

Gaps to be addressed include severe financing challenges, the need for enhanced technical capacity, and systematic mainstreaming of climate change considerations into development strategies and activities. In terms of financing challenges, each MC jurisdiction has developed a draft sustainable finance plan for achieving its goals under the Micronesia Challenge. These plans include an estimate of the overall costs of achieving the Micronesia Challenge goals, an assessment of internally-sourced existing and potential revenues for these costs, a calculation of the "gap" between the costs and existing and potential funding, and a unified regional plan to achieve a MC target endowment of \$58 million to fill the gap. Specific to the RMI, a target endowment of \$13 million has been determined, and to date over \$2 million has already been raised. Bolstered by the burgeoning merits of biodiversity and healthy ecosystems including the mitigation of and adaptation to climate change, the RMI is championing new thinking and innovative ways of engaging development partners and countries to raise the remaining amount, including one approach recently endorsed for further evaluation at the 2012 Micronesian Presidential Summit. The RMI carries national debt of over \$70 million with debt service projected to last 25-35 years, and is actively pursuing "debt for adaptation swap" opportunities based on the premise that the Micronesia Challenge/*Reimaanlok* is an effective tool to alleviate poverty while also increasing national economic stability and climate change resilience.

Data management also remains a key gap to be addressed in RMI's response to climate change. Topographic data and GIS layers relevant to climate change management in the Marshall Islands remain to be digitized from old maps, created from fieldwork, and/or consolidated. These data are the building blocks needed to develop models to simulate weather events and impacts. One recommendation that has been made is to support a nascent GIS users group by establishing a National Spatial Analysis Facility (NSAF) at the College of the Marshall Islands.

With support from SPREP and Canada Aid, another recommendation the Government has begun outlining is for a proposed new Ministry of Environment, Energy, and Conservation headed by a new Minister who would oversee the implementation of the NCCFP, JNAP, and other corresponding resource management policies and action plans. The Office of Environmental Planning and Policy Coordination (OEPPC) is currently devising a work plan to engage with as many stakeholders as possible to ensure the value and viability of this landmark Government reform. A similarly far-reaching proposal is underway for the RMI to take on an enhanced profile within the Kyoto Protocol Adaptation Fund as an accredited National Implementing Entity.

### Natural Disaster Preparedness

In a multi-stakeholder process conducted in 2010-2011, the Joint National Action Plan for Disaster Risk Management and Climate Change (JNAP) was developed. The JNAP Matrix aligns with actions identified under the RMI National Action Plan for Disaster Risk Management 2008-2018 and the aforementioned NCCPF. At the national level, the JNAP Matrix provides a comprehensive guide to the needs of the RMI with regards to reducing risk relating to disaster and climate change.

Externally funded DRR/CCA partnerships include UNDP-GEF funds for the Pacific Adaptation to Climate Change (PACC) project focusing on water resources, funds from the East-West Centre, Australia's Pacific Climate Change Science Program, and newly announced EU funds from the EDF10 funding stream. Additional support was identified from Compact Funding and USAID, ROC Taiwan, AusAID and regional partners including SOPAC-SPC, ADB, WHO and SPREP. And an Bureau of Oceans and International Environmental and Scientific Affairs (OES) grant through the US Embassy Majuro is funding the position of Senior Technical Advisor for Climate Change, based at OEPPC. AusAID is funding the positions of senior technical advisors at the Majuro Water and Sewage Company (MWSC) and a Climate Change Clerk based at the RMI legislative Office of the Nitijela. Effective coordination at the national level is paramount to achieving the full benefits of these various DRR/CCA project/funding streams such that there are no gaps in services, and that outcomes prove sustainable over the long-term. Moreover, while there are numerous sources of external donor funding for DRR and CCA, it should be noted that donor funding often comes with criteria and reporting requirements that pose challenges for already stretched government agencies.

Although the Government has endorsed the NCCPF and DRM NAP, the JNAP remains to be explicitly adopted by Government for implementation. There also remains limited capacity to undertake DRR/DRM activities both from a human resources and financial perspective. While Local Governments for Majuro and Ebeye have disaster risk reduction plans in place, outside of the more urbanized areas, disaster risk management has been primarily reactive than proactive. According to the National Progress Report on Implementation of the Hyogo Framework 2011-2013, "Strengthened capacity, through appropriately resourced focal points in relevant offices, is needed at the national level to ensure the JNAP, as the key policy document for DRR/DRM and climate change, is implemented across all sectors."

The Ministry of Internal Affairs (MoIA) is becoming more proactive and better recognized as a key link between national and local levels particularly for DRR/DRM issues. Annual Mayors Conferences and Mobile Teams, organized through MoIA, allow for the communication of important issues (including DRR/DRM and climate change issues) between the national and local levels. Drought relief efforts following the May 2013 Presidential Declaration of Disaster across 14 northern atolls have allowed the Government and development partners to enact what appears to be highly effective disaster relief protocols, though this is ongoing and too recent for closer analysis in this report.

## Water and Sanitation

The RMI's 2009 MDG Progress Report showed mixed progress on environmental sustainability overall, with forward movement in areas such as conservation threatened by the aforementioned issues of climate change and sea-level rise but also complicated by other serious challenges such as improving sanitation and water quality. Water testing data show that there remain serious quantity and quality problems related to household drinking water. On the sanitation side, the problem is twofold: 1) a significant number of households with no sanitation facilities whatsoever; and 2) strained solid waste management systems in urban centers and (increasingly) rural areas.

The 2010 Majuro and Kwajalein Atoll Water Survey Report identified the following gaps/needs: a need for more household water catchments in anticipation of the growing trends of water borne diseases/illness in both rural and urban pockets; an equal need for focused attention to environmental health through better surveillance, particularly with the use of GIS systems; improving public awareness about water and allied preventive health issues; and stepping up the government's ability to supply water in the extended dry periods or in the aftermath of a natural disaster.

Progress is being made with the following strategic partnerships in place: SOPAC/SPC (GEF Pacific IWRM Project), SPREP (PACC and PACC+ Projects), ADB and AusAid (Ebeye Water and Sanitation Project), Forum Secretariat through the Pacific Environment Community Fund (Potable Water Solutions for Outer Islands Proposal), and GIZ (Coping with Climate Change in the Pacific Island Region Project). The first draft national water policy was recently completed and awaits Cabinet review and endorsement. The challenge in this area, as in others, is coordinating the work and outcomes of these various project/funding streams such that there are no gaps in services, and that outcomes prove sustainable over the long-term.

## Coastal management and land use planning

With nearly all of its land on or immediately adjacent to its coastline, sustainable land use management in the Marshall Islands is, by definition, a coastal management concern. The National Coastal Management Framework (2008) provides the basis for local coastal management and guides environmental concerns for strategic development. The framework was developed following considerable consultations with stakeholders and sets out arrangements and activities for coastal zone management in the RMI including:

- Mandates and responsibility for implementing the framework
- Survey of Coastal Zones
- Issuing of coastal permits and development of appropriate regulations
- Recommends new regulations that phase out certain coastal activities that are extremely damaging to the environment, such as private landfills and dragline dredging.
- Policies for controlling waste, foreign matter and water quality
- Guiding, controlling and monitoring coastal development activities
- Promoting terrestrial and marine conservation in the coastal zone
- Environmental Impact Assessment as an essential tool for Coastal and Environmental Management
- Inter-agency cooperation and coordination through the Coastal Management Advisory Committee (CMAC).

The Coastal Management Advisory Council was established by the Marshall Islands Marine Resources Authority (MIMRA), RMI Environmental Protection Authority, College of the Marshall Islands (CMI), and the Marshall Islands Conservation Society (MICS) to assist local government councils to formulate fishery management plans and fisheries management ordinances, and to harmonize efforts in facilitating

the implementation of community fisheries management programs to all communities of the RMI. Over the years the group has expanded in membership to include the Ministry of Resources and Development, Marshall Islands Visitors Authority (MIVA), OEPPC, the Historic Preservation Office, and Women United Together in the Marshall Islands (WUTMI). Additionally, the Council has expanded its scope to focus on terrestrial resources in line with further integrating the RMI's community-based resource management planning efforts under the *Reimaanlok*.

Adopting the *Reimaanlok* strategy in rural communities, the government and non-government representatives of CMAC have been able to work closely with local stakeholders to build community resiliency while also defining integrated planning approaches to coastal and land management. In the urban centers, however, challenges to effective implementation abound. Although various agencies – EPPSO, EPA, and local governments – have mandates to implement existing zoning laws, a lack of a political will and effective implementing mechanisms, commitment from landowners and ongoing financial solvency issues in local governments continue to hamper effective urban planning in Majuro and has led to unchecked urban development, poor waste management and environmental degradation in many urban areas.

Land issues are highly sensitive in the RMI and it is challenging to offer advice to the landowners on how to use or develop their land. There remains a need for public awareness campaigns relating to why certain legal regulations exist and what sustainable development means, i.e. to maintain a healthy environment and to ensure future generations have access to resources such as water, food and land. Mechanisms like the *Reimaanlok* strategy that involve local stakeholders, in particular landowners, in coastal and land use planning processes must also be applied in urban areas.

## **Economic Inclusiveness**

While climate change is a new and emerging challenge for the RMI, achieving economic growth as well as long-term economic and fiscal sustainability has been a dilemma of long-standing for the country. It is a dilemma that must be discussed in the context of the RMI's Compact of Free Association agreement with the United States. Payments by the US under the Compact have contributed an estimated 50-70 percent of Gross Domestic Product since 1986. And yet, despite high levels of assistance under the Compact, the RMI economy has failed to grow in any sustained manner and trends in social indicators are worrying.

Inclusive economic development is predicated upon eradicating income poverty and hunger, reducing inequalities, and ensuring decent work and productive employment. In 2009, the RMI's progress on MDG Goal 1, Eradicate Extreme Poverty and Hunger, was mixed. While the RMI did not yet have abject or extreme poverty, the RMI was not on track to meeting the three targets under MDG1. More recently, the 2010 Majuro and Kwajalein Household Water Survey concluded that poverty was a real and serious problem in urban areas of the RMI, with households facing problems such as no water, no electricity, high unemployment, stagnant wages, rising prices, a need for improved government services, and access to information. It is against this backdrop that inclusive economic development is discussed.

## **The Compact and Compact Trust Fund**

Renewed in 2004, the RMI's Compact of Free Association agreement with the United States forms the basis of a unique strategic political and economic partnership. The Compact has provided a stable, though declining, stream of grants targeting the health, education and infrastructure sectors. The shift from general budgetary grants to sector grants is part of enhanced monitoring, performance assessment, and accountability for outcomes under the second Compact. The overall performance of the key sectoral

areas is scrutinized by the Joint Economic Management & Financial Accountability Committee (JEMFAC), whose responsibilities are particularly to: review audits and reports; evaluate progress towards performance objectives set in Medium Term Budget and Investment Framework (MTBIF); and recommend ways to increase the effectiveness of Compact assistance while increasing the use of locally generated revenues and other international aid.

The Compact grants expire in 2023, at which point the RMI is expected to use earnings from the Compact Trust Fund “to contribute to the long-term budgetary self-reliance of the RMI... [and] to provide the Government of the RMI with an ongoing source of revenue after FY2023.” However, economic analyses anticipate a gap/shortfall in distributions from the Compact Trust Fund. The RMI Trust Fund was valued at \$158 million as of June 2012, which is \$25 million short of being able to maintain the real value of sector grants after 2023. The growth rate required to “catch up” is 9 percent.

The FY 2011 RMI Economic Review makes two specific recommendations: 1) that policy makers mobilize additional contributions—from domestic and external sources—to the Trust Fund; and 2) that the parties to the Trust Fund consider changes to the Trust Fund Agreement. In addition to RMI and US contributions to the Trust Fund, the Republic of China (ROC) has contributed funds. Assistance from like-minded donors is required if long-term fiscal stability of the country is to be an achievable goal.

Reforming Government operations to bring down costs and allow for higher national contributions to the Trust Fund is a clear priority in need of attention. In April 2009, an RMI Comprehensive Adjustment Program (CAP) Advisory Group was created to develop an internally conceived and designed program to reduce expenditures. Cabinet also created the Revenue and Tax Reform and Modernization Commission (TRAM) to increase revenues. While Cabinet subsequently adopted CAP and TRAM recommendations, implementation has been slow. Bills for State-Owned Enterprise (SOE) and tax reform were introduced in Parliament in 2012, but there is much more to be done. The important aspect of reform for the RMI will be to tackle fiscal problems with solutions that are locally designed and driven.

## Energy

Successful reform of the energy sector in the RMI in recent years showcases the progress that can be made when local political will and resources are matched with assistance from the international community. The emerging crisis in FY2008 with the onset of the world recession and higher fuel prices precipitated a financial crisis at the Marshalls Energy Company (MEC), which in turn threatened the fiscal stability of the nation. There has been a turnaround at MEC since 2010, when the utility forged ahead on a reform plan that not only allowed it to stabilize power generation, but also gain financial breathing room with lower-interest loans from the ADB and US government’s Rural Utility Service.

Key to this success has been the Ministry of Resources and Development Energy Office, which has been able to bolster its technical expertise with the assistance of partners such as the European Union, AusAid, World Bank, Taiwan and Japan to aid in the development and implementation of the RMI National Energy Policy and Energy Action Plan 2009. The RMI Energy Policy and Action Plan clearly sets out electrification, renewable energy (RE), and energy efficiency (EE) goals tied to outputs in 2015 and 2020.

### *Goals of the National Energy Policy and Energy Action Plan (2009)*

- Electrification of 100% of all urban households and 95% of rural outer atoll households by 2015;
- The provision of 20% of energy through indigenous renewable resources by 2020;
- Improved efficiency of energy use in 50% of households and businesses, and 75% of government buildings by 2020; and
- Reduce supply side energy losses from MEC by 20% by 2015.

Corresponding targets as part of the Green Energy Micronesia (GEM) Initiative between the RMI, FSM and Palau furthermore commit the RMI to 20% improvement in EE by suppliers; 30% improvement in EE use by end-users; and 20% electricity generation through RE, most likely solar.

Challenges intrinsic to the renewable energy sector were recently highlighted within the Outer Islands Electrification Program in a mid-term review (MTR) of the EU/SPC North Pacific Renewable Energy Program. In essence, the installed energy equipment needs to be routinely maintained. A sustainable financing mechanism to address this need is now being piloted whereby rural women's incomes are increased through handicraft sales specifically for PV payments. Diligence is needed at the national level to ensure the pilot mechanism succeeds, or else the millions of dollars in PV equipment and RMI's accomplishments towards electrifying 95% of rural outer atoll households by 2015 will recede. Other challenges common across development partner funding streams were also highlighted in the MTR, including bureaucratic and equipment delivery delays. Similar challenges have thwarted the Action for the Development of Marshall Islands Renewable Energy (ADMIRE) project, which was recently taken over by the Ministry of R&D in an effort to streamline more effectively with the Energy Division work plan. ADMIRE project activities include public awareness on the importance of renewable energy, and technical capacity building on specific types of renewable energy (e.g. solar and wind).

In addition, the RMI is working in conjunction with Japan and SIDS DOCK to undertake a feasibility study for OTEC, Ocean Thermal Energy Conversion, which uses the deep ocean temperature differential to generate electricity, fresh water, and hydrogen. If successful, the RMI envisages that OTEC will usher in a new era of integrated sustainability and turn the Marshall Islands from an oil-dependent country into a renewable energy exporter. A review of the National Energy Policy is forthcoming, with the aim to be more inclusive of OTEC.

### **State Owned Enterprise Reform**

While MEC has had success in its reform efforts, the fact remains that there is an urgent need for broad-based SOE reform. The level of subsidy and capital transfer to SOEs amounted to over \$8 million per year on average during the FY2009-FY2011 period. The subsidy required by SOEs, which doubled in the past decade, amounts to about 25 percent of the government's locally generated revenue.

Partnerships supporting SOE reform include the ongoing Public Sector Program (PSP) supported by the ADB. As part of the PSP, the Cabinet endorsed a set of good practice principles and a new SOE act was introduced into the Nitijela in September 2012.

Specific to the telecommunications sector, the World Bank announced the launch of a multi-million dollar strategy to "reform the telecommunications sector and boost access to mobile phones and internet" in the Marshall Islands. The World Bank project, which is being run in partnership with the Ministry of Finance, aims to help Marshall Islands attract new investment in telecommunications and bring down service costs, including through increased competition. The Marshall Islands National Telecommunications Authority



(NTA), which currently enjoys a monopoly in this area, says it supports reform, but questions key elements of the World Bank’s planned intervention. Telecom staff will be meeting in the coming months with officials from the Attorney-General’s Office, Ministry of Finance and Ministry of Transportation and Communications to attempt to come up with modifications to the legislation.

Careful implementation of any proposed SOE reforms will require that planned interventions are attuned to local needs, are data-driven and have measurable outcomes in order to contribute to the sustainable development of the RMI.

## Fisheries

Corresponding to the “blue economy” in which the RMI exists, fisheries have been a key source of employment and growth in recent years, with increasingly diversified operations in harvesting, processing, transshipment and exports. The RMI is benefiting from its participation in the Parties to the Nauru Agreement (PNA), which has more than doubled tuna revenue in the last two years. The PNA also fosters the sustainability of fishery activities through enforcing and exchanging vessel days, which will contribute to sustainable growth over the longer term. Sustainable development of coastal fisheries through is also well underway, following ecosystem based management guidelines established under the *Reimaanlok* mechanism to assist local governments to formulate fishery management plans and fisheries management ordinances, and to harmonize efforts in facilitating the implementation of community fisheries management programs.

The Marshall Islands Marine Resources Authority (MIMRA) has evolved as fisheries activities have expanded. The organization has an increasing focus on policy development, participation in regional and international forums, implementation of international treaty requirements and enforcement of new domestic fisheries laws, such as the ban on shark finning instituted in 2012. The recently adopted National Fisheries Development Plan and revised Marine Resources Act are two of the most proactive national fisheries documents in the region. MIMRA also operates a National Fisheries and Nautical Training Center, training 75 students per year. Students learn skills that enable them to work on commercial fishing vessels. Several graduates are currently employed on US fishing vessels and reviews from vessel owners and operators regarding these Marshallese fishermen have been positive and encouraging. The construction of a service center for fishing vessels has been identified as a feasible investment opportunity for foreign investors.

The global community should act to support these positive developments. Distant fishing water nations need to be striking a better balance between their own commercial interests and WCPFC fora outcomes that advance island sustainable development aspirations. Similarly, the global community should observe MC/*Reimaanlok* invitation to pursue effective partnerships for sustainable fisheries management at grassroots levels.

## Agriculture/Copra

The Government’s latest agriculture planning documents are the R&D Strategy and Action Plan 2005-2010 and the RMI “State”-Wide Assessment and Resource Strategy 2010-2015+. Over the years, the Ministry of R&D Agricultural Division has consistently exercised a facilitating and guidance role in the delivery of services to increase agricultural production across the Marshall Islands and corresponding decrease in consumption of imported goods. This has resulted in greater understanding of growers’ situations and their subsequent involvement in identifying and selecting sustainable development options. A major challenge is the cost of imported versus local food. For local food to be embraced, it must fetch a price that farmers are willing to accept for their efforts. At the same time, consumers must see local foods as an attractive alternative, both economically and via the health and nutritional benefits. For the latter to

be achieved, greater educational awareness on the health outcomes of food is required, especially given the high rates of non-communicable diseases such as diabetes, obesity and cardiovascular diseases.

Within the Ministry of R&D, the “Coconut Tree of Life” Development program represents an integrated approach to the development of coconut resources in the RMI. Key stakeholders and partners include Tobolar Copra Processing Authority, WAM, SOPAC, FAO, SPC, APPC, and USDA Forestry Service. Replanting and rehabilitation of coconut trees, a major component of the program, was successfully launched in 2012.

In this same vein, Tobolar has itself developed a Strategic Reform Plan for 2012-2016. Funded with assistance from the ADB, the plan shows how copra processing will be expanded and improved while production is diversified into high value coconut products to increase income of coconut producers. Tobolar also recently signed copra cake supply contracts with companies in Vietnam, Taiwan and the Federated States of Micronesia. The latter is key because copra is the main income source for outer islanders who have seen their quality of life decline in recent years and who stand to gain from increased demand for copra products.

### Shipping

The Government is focusing on shipping as a critical element in sustainable development of the nation, particularly with regard to outer islands development. Domestically, the RMI will benefit in 2013 from the receipt of two new ships funded by the Government of Japan. This will assist enormously in the transport and services needed for the outer islands. The Government Shipping Vessels Maintenance Fund Act 2011 has been passed to ensure that funds are aside for maintenance, dry docking and safety equipment.

Regionally, the RMI partnered with Kiribati, Nauru and Tuvalu in 2010 to form the Central Pacific Shipping Commission (CPSC). The CPSC represents an effort to jointly regulate international shipping services, and to provide for regular and affordable shipping services to many of the region’s island states. The improvement in shipping services to the RMI and neighboring Pacific Islands Countries and Territories (PICTs) within the context of sustainable development will require multilateral actions, including decisions by individual Governments. However, to obtain economic and political leverage, regional and international cooperation by PICTs is also necessary.

Finally, the preceding discussion of energy costs and commitments to renewable energy is particularly relevant with regard to transportation. Seventy percent of the RMI’s national energy expenditure is on transportation, in common with most island countries. Vulnerability to energy shocks – especially in transportation – is amongst the greatest economic hazards for Marshall Islands. Increasing fuel efficiency and gradually substituting renewable biofuels and energies in transportation would reduce the Marshall Islands socio-economic vulnerability to external oil price rises, and also move the nation toward energy independence.

### Tourism

Slow growth and in some years decline have characterized the RMI tourism sector since its formal inception in 1997 through the Tourism Amendment Act, so that tourism in the RMI remains in its early stages of development. Only about 4,000 people visited in 2011—an indication of the challenge the country is having in attracting tourists. While the RMI has a small inventory of rooms, it continues to struggle to fill its existing capacity – national occupancy rates have remained low over the past decade, with occupancy estimates below 30%. Although tourism arrivals continue to be relatively small in comparison to other Small Island States, tourism development remains a Government priority for

sustainable development. Following a national tourism summit in November 2007 help by the Marshall Islands Visitors Authority (MIVA), the RMI formulated its National Tourism Development Plan 2008-2011. By country of origin, the United States and Japan remain as the top markets for the RMI, with scuba diving and more recently surfing visitors drawn to the many pristine and remote destinations within the RMI.

Challenges to tourism development include in envisaging its development profile, difficulties in doing business in the RMI, untrained and unexposed tourism workers, substandard infrastructures, cumbersome and expensive domestic and international travel; unexplored sea-bed tourism; and weakness in both policy and planning. Small-scale operations, such as diving and surf company Indies Trader, can have a large and positive impact.

## **Inclusive Social Development**

In discussing inclusive social development, this report will focus particularly on issues related to access to quality health care and quality education for all. The RMI Government has prioritized these two sectors as part of its amended Compact agreement with the United States. This section also touches on the status of certain vulnerable populations, including youth, women, and the disabled.

### **Universal access to quality health care**

In the RMI, the health care system is comprised of two hospitals, one in Majuro and one in Ebeye, and fifty eight (58) health care centers in the outer atolls and islands. Both hospitals provide primary and secondary care, but limited tertiary care. Patients who need tertiary care are referred to Honolulu or the Philippines (off-island referrals consume much of the health resources). Over the last decade, the people of the Marshall Islands have seen improvements in health indicators with decreases in maternal and child mortality.

That said, a sedentary lifestyle and processed foods have brought about a sharp rise in the levels of adult obesity and non-communicable diseases (NCDs). Diabetes-related diseases and cancer are now the leading causes of death. High population growth and crowded conditions in urban areas have also contributed to the re-emergence and/or rise of certain communicable diseases, such as tuberculosis and leprosy. Other areas of concern include malnutrition in children, immunization coverage, a high teen pregnancy rate, and alarming rates of STIs.

The Ministry of Health recently developed a revised National Health Strategy 2012-2014. This strategy acknowledges the national goals and objectives stated in the Vision 2018 while providing insight on current priorities in the health sector.

### *Goals of the National Health Strategy 2012-2014*

- Support the development of the Healthy Islands concept in promoting healthy behaviours and changing lifestyle habits;
- Address health issues related to infectious diseases and reproductive health;
- Coordinate care of women, infants, children, adolescents and their families;
- Educate and promote health-care services to hard-to-reach communities including outer islands and atolls;
- Provide a comprehensive mental health programme;
- Ensure better access to essential medicines and ensure that patients are receiving the best possible rehabilitation services; and
- Ensure effective management and administration of human and financial resources in the Ministry of Health.

Implementation of this plan depends on the ability of the MOH, and the RMI Government more generally, to address some key gaps. There are serious shortcomings in the way health statistics are collected, analyzed and reported. While UNFPA has provided technical assistance in this regard, the problems will persist without proper training of local people. Technical capacity and budgets for appropriate data collection and management must be bolstered, both within MOH and at EPPSO. As the prevalence of non-communicable diseases such as diabetes grows beyond the ability of the health care system to cope, strategies to help coordinate resources and partners more effectively must be identified. Moreover, there is a need to effectively target funding for public health and preventative services as the most effective means to tackle non-communicable diseases.

MOH has forged ahead in this area with the production of its Decrement and Medium Term Strategy (FY2011-FY2014) budget document. However, challenges remain in terms of low human resource capacity on one hand, and the multiplicity of donors, some with parallel reporting requirements, on the other hand. Better coordination within the health sector between MOH and its many partners is needed. Donors as well as local NGOs and CSOs (e.g., Youth to Youth in Health, WUTMI, WAAM, etc.) should be included in a common strategic and financing framework. There is also a need for in-depth investigation into the reasons that prevention and outreach programs to address individual ownership of health and healthy lifestyles have not worked to bring down rates of NCDs. Communities must be empowered to take charge of health issues as a key to building a sustainable health care system. Finally, MOH partnered with the World Health Organization (WHO) to incorporate climate change impacts into its plans and policies, focusing particularly on improved drinking water safety planning and rainwater harvesting, as well as household and community-based water quality monitoring.

### **Universal access to quality education**

The RMI Ministry of Education (MOE) oversees delivery of public education from Kindergarten through grade 12. While a number of private schools also operate in the RMI, the vast majority of children attend public school. In 2009, progress on the MDG goal of universal primary education was on track, with expanding classrooms and a falling fertility rate as drivers. However, the report also noted that while this ‘quantity’ challenge is likely to be met, the ‘quality’ challenge of improving educational performance and outcomes must be addressed.

2011 Census figures bear out concerns with educational outcomes. The 2011 Census found: (1) 28.6% of people aged 25 or older had started but not completed high school, and that (2) this proportion actually increased since the late 1990s (21.6%). School enrolment figures also show that significant numbers of school-age children are simply not in school: 20% of children ages 5-9 are not in school; 8% of children

ages 10-14 8% are not in school; and 62% of youth 15-24 are not in school. Given that the RMI has some of the highest levels of per capita spending on education in the Pacific, these numbers suggest that an overriding issue for the government is how to use resources more efficiently and effectively.

The MOE has initiated strategies that are designed to improve attendance of school age children. In SY 2012-2013 a Presidential Task Force will assess and identify contributing factors to student attendance and enrollment. This report will inform further policy changes. In the meantime, the MOE has temporarily suspended the \$10 student registration fee seen as deterrent to student participation. After the two year suspension, an assessment will determine whether or not the fee should be permanently suspended or reinstated. Furthermore, parent education programs regarding parenting and student discipline are being implemented. As well, partnerships with the national and local police forces are being strengthened towards enforcing curfew and compulsory school attendance laws.

The MOE's most recent three-year strategic plan for 2008-2011 addresses many of the challenges facing the education sector. Major outcomes targeted under the plan include: Improve early childhood enrollment; Provide a quality primary schooling; Assuring higher school attendance, particularly at the primary levels; Provide high-quality secondary education; and Increasing the success rate among college students. The MTBIF performance-based budgeting model mandated under the renewed Compact is incorporated into the plan to help policy makers evaluate progress on the plan and make adjustments as needed. Adopting this performance-based approach is indeed a step forwards in management and planning, but institutionalizing the MTBIF remains a challenge for MOE and other government functionaries.

Efforts to improve quality of education are vigorously executed under a number of initiatives, including programs to create a pathway for newly trained teachers as well as revitalized in-service teacher education programs. The MOE is also developing a certification program for teachers and accreditation of public and private schools to improve the quality of the education at primary, secondary and tertiary levels. More importantly, guided instructions including grade and subject level schemes, yearly plans, and daily lesson plans, based on established standards and benchmarks are being developed under the Master Teacher Training initiatives. In SY 2013-2014, these guided instructions will be in the hands of teachers.

Better and more frequent student assessments are being developed to help teachers better target instructions to students' needs. At the school level, school reports will be issued in 2013 based on selected benchmarks designed to assess school wide efforts in improvement targets. MOE is supporting and partnering with international accreditation bodies for developing school quality standards. Pacific Resources for Education and Learning Education (PREL) is providing assistance in developing national standard curriculums in Math and English.

The MOE and the National Training Council (NTC) developed the Technical-Vocational Education and Training (TVET) Strategic Plan 2012-2014 to address the need for more and better TVET services to combat the country's rampant unemployment and underemployment, and to grow an economy that is based less on external aid and more on private sector wealth. The emphasis of the plan is on building the basic infrastructure of a modern TVET system. The TVET Strategic Plan is organized around four major goals: (i) develop a demand-driven TVET system; (ii) expand the output of TVET programs; (iii) improve the internal efficiency of the TVET system; and (iv) clarify roles, responsibilities, and relationships within the TVET system.

Together these efforts aim to improve on quality and equity in service delivery, early childhood education, primary retention, completion and progression into secondary level of education, and vocational education. One major gap yet to be addressed systemically is the mainstreaming of climate change impacts and information at all levels of the educational system.

## Youth

The RMI has the second youngest population in the Pacific, with a median age of 19.2 years old. The rate of teenage pregnancy in RMI is one of the highest in the Pacific; in 2007, one in four young women aged between 15 to 19 years was pregnant or had already given birth to their first child. Substance abuse is also a problem. The most common substance used in RMI is alcohol and tobacco, although betel nut, marijuana, kava/sakau, inhalants and other substances are also being used by young people. Related to alcohol consumption is the reported correlation it has with attempted suicide rates amongst young people in RMI. Alcohol consumption also plays a big role in youth-related violence and crime. Inactivity and lack of employment among youth is perhaps the greatest challenge.

With the support of SPC, the RMI developed its National Youth Policy (2009-2014) as part of an effort to respond to the challenges facing its young people. Several key issues and actions identified in the policy are 1) strengthen education and training; 2) expand livelihood opportunities through a range of targeted vocational and employment training; 3) strengthen health programmes and social services for young people; and 4) foster the Marshallese culture as a way to address social and economic issues. The engagement of NGOs and Civil Society Organizations as partners with government in the delivery of youth-related services has proven very effective in the RMI. Organizations such as Youth-to-Youth in Health and Waan Aelon in Majel (WAM) have proven track records in substance abuse prevention, counseling, cultural strengthening, and vocational skills training. Looking ahead, a key challenge will be to implement priorities in the National Youth Policy 2014 such that it becomes a truly meaningful document for change in the lives of Marshallese youth.

## Women's empowerment and gender equality

The RMI is a matrilineal society, with children belonging to their mother's lineage and having rights to use land owned by their lineage group. Although modern pressures have changed the land tenure system in many ways, land continues to be a source of women's influence in the community. Despite the status afforded by secure land rights, improving the status of women in the modern context remains an issue of concern.

The RMI's 2011 Census showed a distinct gender differential in economic activity, with 51 percent of all men of working age engaged in either paid or unpaid work, compared to 28 percent of women of working age. Despite a small increase in female participation in employment since the last Census in 1999, it is clear that the Marshall Islands are a long way from reaching employment gender parity. The recent creation of the NGO, Women Entrepreneurs in the RMI, is an example of recent initiatives to support women's engagement in the economy. This focus on economic empowerment is particularly important for women in the outer islands given the difficulty that communities there face in terms of low incomes, lack of basic services, and poverty of opportunity.

Women generally are not discriminated against when applying for employment, especially in the private and non-government sectors. That said, there has never been more than one female senator in the Nitijela (parliament). RMI ratified CEDAW in 2006, but domestic violence is a serious issue.

There is generally equal access to education and health services for young men and women. However, women face particular burdens in both sectors. High rates of teenage pregnancy disproportionately impacts women not only in health terms - nearly 19% of births to teenage girls are low weight, and there is a high risk of premature labor, anemia and high blood pressure – but also in terms of compromised educational outcomes and, consequently, income-earning opportunities. Women living in the outer islands face additional challenges if they require professional obstetric or gynecological care, which are only available in the urban centers.

The official focal point for gender-related work in the RMI is the Gender in Development Office, which is housed in the Ministry of Internal Affairs. The office coordinates much of its work with WUTMI (Women United Together for the Marshall Islands), the umbrella organization for most women's civil society organizations in the Marshall Islands. SPC conducted a stock take of the gender mainstreaming capacity of the government in 2011 and as a result of this process several potential starting points for increasing the capacity of the RMI government to mainstream gender and women's human rights in an effective and sustainable way were identified. These include: (i) strengthening networks for capacity development through stronger ties between the Gender in Development office, WUTMI and the Resource Development Committee (RDC) on CEDAW/CRC; (ii) the development of national gender policy which would address key thematic areas for women and support gender and women's human rights across government and allow for strategic approaches to gender related work in the RMI; (iii) improved gender statistics in all sectors of government working through EPPSO. This would involve compiling key gender indicators in a single comprehensive framework, developing user-friendly "situation of women" statistical reports, conducting policy analyses based on the priority indicators with relevant government agencies and collaboratively developing policy responses; (iv) the development of tools to raise awareness and assist capacity building on gender mainstreaming across government; (v) support a process for coordinated donor support for gender work in the RMI; and (vi) the establishment of gender focal points in all key ministries.

### **Disabled population**

The constitution states that no person may be treated in a discriminatory manner under law or by public officials, but it does not include disability in its listing of specific prohibited grounds of discrimination. In practice persons with physical, sensory, intellectual, and mental disabilities face difficulties in obtaining employment and accessing health care and other state services.

There are no laws or policies designed to ensure access for individuals with disabilities to buildings, public transport, education, communications, or information. There are no building codes, and in practice most buildings are not accessible to persons with disabilities. Hospitals and two major grocery stores on Majuro have ramps for persons with disabilities.

The lack of accommodations for people with disabilities is an ever more pressing challenge. It is expected that the numbers of persons with disabilities will increase due to high rates of diabetes-related amputations and blindness, increased traffic and industrial accidents, and the aging of the RMI population. With many competing priorities in an already strained fiscal environment, it is difficult for the RMI to identify sustainable financing for disabilities initiatives. One bright spot in this arena is disabilities services for children with special needs in the education system. Supported by funds from the U.S. Individuals with Disabilities Act, MOE is able to place special education teachers in over 90% of RMI public schools. The strong partnership between the RMI and the US in this area to provide services is a model to build upon. The interests of the disabled are further represented by two existing CSOs, for disabled persons and parents of disabled persons respectively.

### **Creating an Enabling Environment for Sustainable Development**

If sustainable development goals are to be achieved, to include all four pillars of sustainable development, the RMI and its partners must foster an enabling environment. The Forum Secretariat, in a working paper on enabling environments, lists the following necessary conditions: better coordination (within country and among development partners), participation and inclusion of all stakeholders, good governance and strengthened institutions, and measurable indicators and targets for sustainable development goals. In its country strategy for the RMI, the Asian Development Bank (ADB) similarly emphasizes the need to

promote good governance and better service delivery as a means to create an enabling environment for private sector growth and job creation.

Work on the RMI's National Strategic Plan (NSP) provides the government and other stakeholders with an opportunity to foster an enabling environment. The NSP aims to have a Monitoring and Evaluation Framework that uses locally tailored targets, in conjunction with MDG targets and indicators, to assess the performance of the plan. The RMI Government is partnering with the ADB to strengthen capacity within the Economic Policy, Planning and Statistics Office (EPPSO) to ensure that it will be able to collect and analyze the data required to monitor progress of the NSP. In the past, capacity constraints have been a major obstacle with regard to the Medium Term Budget and Investment Framework (MTBIF) under the Compact. Work to date has been prepared by non-resident consultants, with no local staff able to manage, update, or communicate the results of the MTBIF to policy makers in time to affect budget preparations (RMI Economic Report 2011).

In addition, the NSP will be used as a guide for Performance Based Budgeting (PBB). Upon completion of the NSP, the National Budget should link to both sectoral and cross-sectoral policy targets, and thereby strengthen coherence between planning and budgeting. The Government is in the process of implementing Performance Based Budgeting (PBB) in all Government Ministries. PBB promotes government transparency by providing clear and direct linkages between funding/budgets, Outcomes, Outputs, Activities, and Impact.

Participation in and ownership of the NSP across all sectors and among all stakeholders is critical to the success of the planning process. Effective implementation of the plan will require the continued engagement of stakeholders. Mechanisms to encourage the ongoing coordination between Government, Civil Society, NGOs, the private sector, traditional leaders, and outside donors will need to be incorporated into the NSP. Plans and reforms may be proposed and endorsed, but participation, ownership and real effective demand for sustainable development are key to implementation.

It is important to note here an emerging coordination mechanism that could provide an enabling environment for cross-sectoral community based management, and which is being prioritized among top-level tiers of Government and non-government stakeholders alike. The Protected Area Network (PAN) aims to provide a streamlined management process at the national level that empowers communities to effectively manage natural, cultural, and historical resources at the local level. If the PAN is enacted into the legal framework of the RMI, then developing, obtaining agreement on and successfully implementing a sustainability mechanism would furthermore be needed to fully articulate this "bottom-up" approach to sustainable development. Results-based goals intrinsic to the PAN would furthermore need to be incorporated into the NSP monitoring framework.

### **III. Renewed Political Commitment**

While the attention toward sustainable development has improved in the RMI in the last decade, there is no question that the RMI and its partners need to work together to make meaningful progress. To do so effectively, it will be necessary to adopt a "whole-of-society" approach to sustainable development that is not only inclusive but coordinated, such that inputs, strategies, targets and outcomes are integrated into a cohesive whole.

For the RMI, the time is ripe for a renewed political commitment to sustainable development. The government recently initiated work on a RMI Medium-term National Strategic Plan (NSP) that is linked to results based goals and targets of relevant sector development strategies and portfolio budgeting. The plan is envisaged to be a 3-4 year rolling plan. Progress will be assessed using a performance based



Monitoring and Evaluation Framework that uses locally tailored targets as well as MDG targets, and corresponding indicators and baseline data as key performance monitoring tools. Since the plan will be results based and data driven, the data identified to report on key performance indicators will need to be collected, analyzed and reported on consistently and regularly. It is expected that the NSP will be completed by October 2013. Once the NSP is in place, it will be an invaluable tool for the RMI government and its partners to mobilize resources and assistance for sustainable development.

The preparation of the NSP represents the first step in a much longer process of advancing sustainable development goals. Effective and efficient execution of the plan will be key to its success. There will be a need for a collective effort on the part of the national government, local governments, private sector, civil society, NGOs, and regional and international partners to take responsibility for implementation. In this collective effort, an emphasis must be placed on better coordination at all levels so that local needs and demands on the one hand and regional and international assistance on the other hand are effectively integrated into national development strategies and goals. The RMI and its partners need to pursue a more “bottom up” approach to development to avoid the pitfalls of a “one size fits all” framework.

#### **IV. New and Emerging Challenges**

The RMI’s National Climate Change Policy Framework (NCCPF) captures the extent to which climate change impacts pose a new and emerging challenge for this generation of Marshallese. Climate change is seen as the greatest threat to the RMI’s low-lying atolls and people. It is a cross-cutting development issue that affects every aspect of the Marshallese way of life and livelihoods. Climate change impacts exacerbate existing cultural and socio-economic vulnerabilities, and threaten the security of the nation. In response, the people of RMI must collectively build and strengthen the nation’s resilience to combat climate change. If the RMI is to pursue a course of sustainable development, this effort to foster resilience to climate change must be supported by regional and global partners.

The RMI has made important strides in addressing threats posed by climate-related impacts with the assistance of key partners. As part of the Micronesia Challenge, the country is working to preserve its cultural heritage through effective conservation of natural resources thereby enhancing resilience to impacts of climate change. Moreover, with sustainable financing and an endowment in place, the Micronesia Challenge has resources to advance this agenda (though more donor assistance and internal financing mechanisms are needed). There is much more being done across many projects and initiatives, but the current approach is ad-hoc and uncoordinated. This results in a “finger in the dam” scenario for the RMI. The overall challenge is to ensure that a strategic, systematic and coordinated approach to climate change is adopted to ensure that it is always given high priority in sustainable development planning.

Related to climate change is the issue of Pacific Ocean stewardship and sustainability. While many see the Marshall Islands as a small island state, in fact it is a “large ocean nation”. The RMI’s green economy is really a “blue economy”, and fisheries are a precious resource. The nation has a responsibility to protect this resource, even over the apparent objections of large, distant fishing nations licensed by the RMI. With other Pacific nations, including the Parties to the Nauru Agreement, the RMI is setting the global pace on sustainable fisheries. As stewards of more than half of the world's tuna, these Parties are taking actions to ensure a sustainable fishery, sharply curb overfishing, and advance development aspirations. To that end, the PNA has put in place a ban on high seas fishing as a condition of access to its rich waters. With retail partners, the group is certifying its own Pacific brand of free school skipjack tuna with the Marine Stewardship Council. It is this kind of cooperation – driven by national development aims and attuned to local needs and concerns – that is needed to advance sustainable development in the RMI. Regional and

global support mechanisms must directly address each country's self-determined priorities, particularly when it comes to the most vulnerable island states.

In addition to the emerging issues related to climate change and oceans, it should be noted that the RMI has placed health and education at the forefront of its development strategy for the past decade. The United States is the country's most significant partner in this endeavor, helping to fund expenditures on health and education that were 14% and 17% respectively of the national budget in FY2008. Those percentages have only increased in the following fiscal years. The new and emerging challenge in this area will be to sustain commitments in health and education against a backdrop of Compact decrements in the medium-term and potential fiscal shocks when the Compact sector grants terminate in 2023. The RMI's overall financial outlook and continued population growth strongly suggest that the nation will have to be able to do more with less. Keeping this in mind, it is critical that the government and its partners work together to improve governance systems. If not, efforts to plan for and implement sustainable development will be for naught.

## V. Priorities for Sustainable Development

In order to ensure that progress toward sustainable development is achieved, the RMI Government is focusing on setting priorities linked to measurable targets, developing partnerships, and allocating adequate resources to various sectors. In addition, there is a recognition that voices at the local level need not only inform, but also drive sustainable development as much as possible.

The engagement in the NSP process reflects these priorities. Once completed, the NSP will finally link goals and objectives with measurable targets and indicators that are locally tailored and, at the same time, cognizant of international benchmarks. With a national plan tied to benchmarks in place, the RMI and its development partners will be able to engage in meaningful collaborations tied to measurable outcomes. Better coordination and integration of assistance, particularly Compact funding, into national, regional and cross-regional strategies can thus be achieved. Partnerships are key to development, but partnerships and the assistance they can bring must be coordinated to maximize their impact. It should also be underscored that "bottom-up" approaches and mechanisms must be adopted to ensure that progress is made where it counts the most: the local level.

While the forthcoming NSP will provide the fully vetted catalogue of priorities for sustainable development, it is important to note here those priorities that the RMI wants included in discussions of the post-2015 agenda. These include:

- **Enabling environment** – Progress toward sustainable development depends on strengthened management systems that are attuned to local needs, are data-driven and have measurable outcomes. Local, national and international stakeholders must each work more closely to find and forge solutions for effective delivery of services and assistance.
- **Climate change** – Climate change is a truly cross-cutting issue for the RMI and the Pacific as a whole. It is impossible to talk about development in the Pacific without considering the impact of climate change, which is an existential issue for many countries, particularly atoll states like RMI.
- **Fisheries/Oceans/Coastal Management** – Ocean-based resource management (the so-called Blue Economy) is absolutely critical to development in the RMI and among its Pacific neighbors.
- **Education** – The RMI cannot implement solutions to its problems if it does not have the human resources or capacity. The quality of education (rather than simply quantity) should be emphasized.

- **Health** – The explosion in rates of NCDS represents a health crisis for the RMI and others in the Pacific. Health care systems must be strengthened to respond to this crisis as well as other concerns.

## VI. Conclusions/Recommendations

Past reviews of the Barbados Programme of Action (BPoA) and the Mauritius Strategy of Implementation (MSI), conducted at national, regional and inter-regional levels, have successfully highlighted the unique and particular vulnerabilities of SIDS and their special case for sustainable development. Moreover, many of the sustainable development goals for SIDS have been researched and identified over the years. However, the BPoA and the MSI lack a closely coordinated implementation mechanism, and rely upon the goodwill of partners. The MDG process has been somewhat more useful in that it does include measurable goals and targets, but the fact is that these goals do not necessarily reflect realities for Pacific islands nations. Notable omissions in the MDG framework include climate change, ocean management and non-communicable diseases.

Looking beyond 2015, there needs to be a fundamental shift in development thinking that better links the global agenda with national development aspirations. At the recent Dili International Conference in Timor-Leste, ownership was a key theme of discussions, with Pacific participants noting “we need to own our problems, and understand their root causes, in order to develop effective, culturally sensitive solutions to our development challenges”. Pacific participants further declared the need to take charge of domestic development goals that are “linked but not subordinate to the global development agenda”.

To that end, the RMI Government is developing its NSP to include results-based goals that are incorporated into a monitoring framework. Linked to the objectives laid out in Vision 2018 and the sector plans of various Ministries and Agencies, the NSP represents a key element in the creation of an enabling environment for sustainable development in the RMI. The NSP will thus promote better coordination, participation and inclusion of all stakeholders, good governance and strengthened institutions, and measurable indicators and targets for sustainable development goals. The international community has an integral part to play in supporting this enabling environment. Indeed, we look to our partners and others engaged in framing the post-2015 development agenda to work with us to ensure that international assistance and activities are 1) more effectively tailored to our national goals and small island structures, and 2) better integrated with comprehensive, system-wide approaches built in to our national plans. Simply put, support needs to more directly address each country’s self-determined priorities, particularly when it comes to the most vulnerable island states.

The RMI further reiterates the centrality of climate change in discussions of a post-2015 development agenda. We entirely agree with the conclusion on climate change that came out of the Pacific Roundtable Consultation in Dili, which is worth repeating here:

We are not part of the cause of climate change; nor can we manage its inevitable effects on our own. We must hold to account the countries that contribute most to the problem, and marshal international support for climate change mitigation, adaptation and disaster risk reduction strategies. To this end, we need to explore regional mechanisms and approaches that pool resources and share risks. We agreed there is a need for donors and international organizations to greatly simplify criteria and processes for accessing climate change financing, which is particularly disadvantageous to small states. (Key Conclusions from the Roundtable Discussion on Pacific Issues, International Conference on the Post-2015 Development Agenda, Dili, Timor-Leste 26 February 2013)

The RMI also recommends identification and mainstreaming of strategies to further assist developing countries, in particular SIDS, in developing their national capacity to conserve, sustainably manage and

realize the benefits of sustainable fisheries. This is absolutely fundamental for the core development of the RMI.

Finally, the RMI's national priorities include health and education. We urge a specific focus on qualitative rather than quantitative improvements in these sectors. Specifically, the global agenda should include targets linked to better performance outcomes in education and progress in bringing down rates of non-communicable diseases in the health sector.

The RMI recognizes and supports the progress that can be made through meaningful collaboration with partners. Through strategic partnerships such as the Micronesia Challenge and the Parties to the Nauru Agreement, we have seen how we can set and achieve ambitious sustainable development goals when we work together. We are also mindful that effective partnerships with local stakeholders and communities in the RMI are equally important if national, regional and global objectives for development are to be translated to people on the ground.

Sustainable development is best measured through results – the successes and failures – witnessed everyday, on the ground, in local communities. The Marshall Islands is not waiting for others to act. We are leading with action towards a sustainable future.