

**Pacific Regional Synthesis Report**

**for consideration by the**

**Pacific Regional Preparatory Meeting  
10-12 July 2013, Nadi, Fiji**

**convened as part of the process towards the**

**Third International Conference on Small Island Developing States  
(SIDS), September 2014, Apia, Samoa**

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# **Pacific Regional Synthesis Report**

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## Preamble

The United Nations Conference on Sustainable Development (UNCSD, known as Rio+20) in the outcome document *The Future We Want* (paragraph 180) called for the convening in 2014 of a third international conference (Conference) on small island developing States (SIDS), recognising the importance of coordinated, balanced and integrated actions to address the sustainable development challenges facing SIDS, and invited the 66th Session of the General Assembly to determine the modalities of the Conference.

The subsequent General Assembly modality resolution (A/C.2/67/207) welcomed the offer of the Government of Samoa to host the Conference and decided *inter alia* in paragraph 5 that the Conference should:

- a) assess the progress to date and the remaining gaps in the implementation of the Barbados Programme of Action (BPoA) and the Mauritius Strategy for Implementation (MSI) building on, *inter alia*, existing reports and relevant processes;
- b) seek a renewed political commitment by all countries to effectively address the special needs and vulnerabilities of SIDS by focusing on practical and pragmatic actions for the further implementation of the BPoA and MSI, *inter alia*, through mobilisation of resources and assistance for small island developing States;
- c) identify new and emerging challenges and opportunities for the sustainable development of SIDS and ways and means to address them including through the strengthening of collaborative partnerships between SIDS and the international community; and
- d) identify priorities for the sustainable development of SIDS for consideration, as appropriate, in the elaboration of the post-2015 UN development agenda.

The resolution also decided that the Conference outcome document should be a concise, focused, forward-looking and action-oriented political statement to address the sustainable development challenges facing SIDS.

The 2014 SIDS Conference in Samoa will be convened in the first week of September 2014. The Conference will be preceded by an intergovernmental preparatory process commencing in early 2014 that will be launched by the President of the General Assembly. In order to inform the preparatory process for the Conference, meetings will be convened in the three SIDS regions as follows followed by an interregional meeting:

Caribbean	Jamaica	2-4 July 2013
Pacific	Fiji	10-12 July 2013
AIMS	Seychelles	17-19 July 2013
Interregional	Barbados	26-28 August 2013

In order to ensure a robust process, and that the process is owned and driven by SIDS, UNDESA sent out invitations in March requesting small island developing states to submit a national assessment report (NAR). UNDESA is serving as the secretariat for the Conference. For the Pacific region a supporting letter and guidance note from the UNDP offices in the region was circulated in mid-March 2013 to support the holding of national consultations and NAR submission.

This Pacific Regional Synthesis Report (Report) was compiled by the UNESCAP Pacific Office based on the NARs and other “existing reports and relevant processes. It is to serve as a discussion paper at the Pacific Regional Preparatory Meeting (Meeting) and may be used to assist with the engagement of the Pacific SIDS in the preparatory process leading up to the Conference in Samoa in September 2014.

## INTRODUCTION

The Report attempts to present an overview of perspectives and findings contained in the NARs of the Pacific SIDS (14) who were formally requested and able to prepare and submit one. Each is based on a format and structure which reflects national needs and priorities. As such, the 14 NARs provide a variety of different approaches to addressing the four objectives of the Conference. Most NARs include an assessment of performances against the BPOA and the MSI. However, this was often framed using national development plans and processes as the primary context. Consultations undertaken for the review of the MDGs and the post-2015 development agenda also informed many of the NARs. Timor-Leste was unable to produce a NAR prior to the Meeting but it requested that the *Dili Consensus 2013* be referenced in Report to reflect what it considers to be some of its national priorities. Other national and regional reports, including for the Pacific MSI+5 Review were used as a secondary source of information.

What has emerged from synthesis is the conclusion that neither the BPOA and MSI, nor the MDGs, is sufficient for achieving inclusive and sustainable development in the Pacific. The BPOA and MSI did not give adequate attention to the social and economic pillars of sustainable development, while the MDGs did not give adequate attention to the environment and economic considerations. Furthermore, the need for integration which is critical to inclusive and sustainable development was not given adequate consideration particularly in terms of the strategies and tools needed for such challenging task. In fact the recognition of the importance of strategies and effective means of implementation was lacking in both the BPOA/MSI and the MDGs.

The NARs also underscore the importance of fully understanding the underlying causes of the slow progress in implementation and integration which has characterized the past twenty years of sustainable development efforts. To the extent that there is now strong support for accelerating the pace of implementing integrated approaches to development, understanding and addressing the “root” causes—as a couple of NARs put it—of climate change and inequalities for example, is a must.

For the purpose of this report, the phrase “Pacific region” refers to the following countries: Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor Leste, Tonga, Tuvalu, and Vanuatu, which were formally requested to produce NARs.

**Table: Pacific at a Glance**

	LAND AREA (km <sup>2</sup> )	EEZ AREA (km <sup>2</sup> )	POPULATION 2012	GDP/capita 2011 (USD, current prices)	Real GDP Growth Rate 2001-11	Percentage below the national poverty line	Human Development Index 2012
Cook Islands	237	1,830,000	20,523	13,478	1	28 (2006)	
Federated States of Micronesia	701	2,978,000	103,395	2,855	0.1	31 (2005)	0.645
Fiji	18,272	1,290,000	874,742	4,391	1.4	35 (2008-09)	0.702
Kiribati	811	3,550,000	100,786	1,803	1.6	22 (2006)	0.629
Marshall Islands	181	2,131,000	52,555	3,448	2.8		
Nauru	21	310,000	10,032	6,954	-1	25 (2006)	
Niue	259	390,000	1,384	5,854		13 (2002)	
Palau	444	616,000	20,754	11,096	1.6	25 (2006)	0.791
Papua New Guinea	462,840	3,120,000	7,167,010	1,794	4.9	28 (2009)	0.466
Samoa	2,935	120,000	188,889	3,629	2.3	27 (2008)	0.702
Solomon Islands	28,370	1,340,000	549,598	1,518	5.4	23 (2006)	0.53
Timor Leste	14,874	70,326	1,114,106	4,829	20.8	50 (2007)	
Tonga	650	700,000	104,941	4,335	1.4	23 (2009)	0.71
Tuvalu	26	900,000	9,860	3,713	0.4	26 (2010)	
Vanuatu	12,190	680,000	247,262	3,168	3.9	13 (2010)	0.626
<b>Total</b>	<b>542,811</b>	<b>20,025,326</b>	<b>10,565,837</b>				

**Sources:**

Land area and EEZ: SPC and SOPAC

Population and GDP: ESCAP Statistical Yearbook 2013

Poverty: Forum Island Secretariat MDG report, ESCAP Statistical database for Timor-Leste

HDI: UN HDI database

## PART 1: ASSESSMENT OF THE PROGRESS TO DATE AND THE REMAINING GAPS

"Accelerating Integrated Sustainable Development." (Fiji NAR: theme)

### 1.1 A Few Success Stories:

The Pacific has made important progress toward the implementation of some of the actions called for in the BPOA and the MSI, both at national and regional levels. A few examples of success stories are listed below to reflect some of these achievements:

- **Cook Islands:** Declaration of 1.1 million square kilometres (just over 50%) of its exclusive economic zone (EEZ) as a marine park to enable long term sustainable management of coastal and deep sea marine resources.
- **Federated States of Micronesia:** Establishment of emergency operations centres in all four states and at the National Capital.
- **Fiji:** Established a Land Bank under its 2010 Land Use Decree as a repository for native land currently under-utilised and thereby made available to investors.
- **Kiribati:** The Kiribati Integrated Environment Policy has been approved (June 2013) to provide an enabling environment for the development of incentives to encourage imports with low waste or degradable waste content.
- **Marshall Islands:** Their partnership with **Commonwealth of the Northern Mariana Islands, Federated States of Micronesia, Guam and Palau** in the Micronesia Challenge has been translated to community-based action through the *Reimaanlok* Framework.
- **Nauru:** Nutrition and school gardening programmes have been introduced to build awareness of health and food security amongst young people.
- **Niue:** Village economy development and water supply has improved quality of life and increase of land area available for farming as supported agricultural reforms.
- **Palau:** Met or nearly accomplished most of the MDGs.
- **Papua New Guinea:** Establishment of a Sovereign Wealth Fund in 2011 to support macroeconomic stabilisation, support development objectives of the Government including long term economic and social development, and support asset management in relation to assets accrued from natural resource revenue.
- **Samoa:** Graduation from LDC status and success in coordinating development assistance.
- **Solomon Islands:** The Prime Minister's Roundtable on Development, Society and Environment is probably one of the first initiatives from the highest office of the country that has started discussions on the connectivity between development, environment and society. Whilst the roundtable is a start it has already helped in identifying key development issues with equal concern for environmental, social, and cultural implications of development with respect to education and key economic sectors such as minerals, forestry, fisheries, and tourism.
- **Timor-Leste:** Hosting the g7+ international conference on the Post-2015 Development Agenda entitled "Development for All: Stop conflict, build states and eradicate poverty" to provide a country-led contribution to the international post-2015 dialogue.
- **Tonga:** The Tonga Energy Roadmap 2010-2020 which provides a detailed pathway towards a low carbon, cost-effective, technically sound, equitable transformation of the entire energy sector in the Kingdom.
- **Tuvalu:** A Tuvalu Tuna Management and Development Plan 2011-2015 will be the high level fisheries policy for guiding the development of the tuna fisheries, conservation, management, exploitation and utilisation of the country's marine resources. Fish consumption at around 113 kg of fish per capita per year exceeds the global average of 13.2 kg by 8.6 times.
- **Vanuatu:** Completion of the Alternative Indicators of Wellbeing pilot study, and decision by government to use the results in high level policy making.
- **Cook Islands, Kiribati, Nauru, Niue, Marshall Islands, Tuvalu and Tokelau:** The signing of 8 bilateral maritime boundary delimitation agreements amongst these countries.

- **Federated States of Micronesia, Kiribati, Marshall Islands, Nauru, Papua New Guinea, Solomon Islands and Tuvalu:** In support of strengthening the management of the tuna fishery, in March 2010 as the Parties to the Nauru Agreement established the PNA Secretariat in Majuro. Furthermore, the PNA have demonstrated success in significantly increasing economic returns and tax revenue to governments from their purse seine tuna fishery.
- Political subgroups, and/or partnerships, have been developed and strengthened including for example the **Melanesian Spearhead Group**, the **Micronesian Chief Executives' Group** and the **Polynesian Leaders' Group**.
- **Members of the Melanesian Spearhead Group** have advanced trade in services (including labour mobility) and have committed to promoting green growth as a tool and as a development approach to integrate the three pillars of sustainable development.

## 1.2 Key Sector/Thematic and Cross-Sectoral Challenges

This section provides an assessment of progress, gaps and opportunities related to the thematic and cross-sectoral challenges listed in the BPOA and MSI. For most sector/thematic areas, the conclusion is that while the efforts are on-going, accelerating progress particularly in **integrated approaches** is needed. This is a key finding as reflected in the theme of the Fiji NAR and threaded through the NARs and other assessment reports to date on sustainable development. It's also a conclusion to be reflected in the way the rest of the Report is written.

**Climate Change and Sea-Level Rise:** In the words of Minister Tony de Brum of the Marshall Islands, "The very physical survival of the Marshall Islands – and other low-lying nations – is now far more than a distant and theoretical risk – but now a clear and present danger. This fact is confirmed not only by scientific consensus, but on observed impacts experienced by our local communities - including coral bleaching, ocean acidification, saltwater intrusion, coastal erosion and sea level rise – with projected risks so great that climate change threatens not just our livelihoods, but our very security and homeland" (UNFCCC COP in Doha in December 2012). The Pacific Islands Forum Leaders in 2011 "reaffirmed that climate change remains the single greatest threat to the livelihoods, security and wellbeing of the peoples of the Pacific". Climate change, including ocean acidification and sea-level rise, is not isolated to the effect on the natural environment (fisheries, coastal resources, agriculture and land loss), but also directly impacts economic and social development, particularly women, children and vulnerable populations. Climate change migration is an extreme example of the impact of climate change on social development. The coordination and timely implementation of adaptation and mitigation activities across sectors is a monumental challenge. For example, considering water or solid waste management in the context of climate change compounds the challenges in these sectors. To address climate change as a development issue, it is necessary to continue to improve the understanding of the potential impacts of climate change and utilise both traditional knowledge and new technologies. The NARs recognise that the root causes of climate change are related to the global economic paradigm and human behaviour, and that international climate change commitments and collaboration are an absolute imperative. However, for the Pacific (and all SIDS), climate change is an immediate and dangerous reality which must be addressed through immediate action to increase and improve access to climate financing and other climate-related forms of assistance. It's the reason why the hard conditions and cumbersome procedures for climate change financing under the UNFCCC is such a point of contention for the SIDS who clearly see themselves as victims with severely limited staff capacity to contend with such obfuscation.

**Natural and Environmental Disasters:** Natural and environmental disasters impact all three pillars of sustainable development. They can have detrimental impact on small islands due to the ability of one disaster to impact a very large proportion of the total population and result in enormous loss as a percentage of GDP. Repeated disasters and the challenge of slow onset events undermine investments and progress in human development and poverty reduction. At community level, there is little practical difference between disaster risk reduction and climate change adaptation (CCA) actions. In recognition of the limited country resources and of the significant overlaps in the methods and tools used to monitor, analyse and address disaster and climate change risks, the region has shown support

for a process of integration of disaster risk management (DRM) and CCA activities at both national and regional level, including through the “Integrated Regional Strategy for Disaster Risk Management and Climate Change for the Pacific” requested by Pacific Leaders and “Post 2015 Hyogo Global Framework for Action for Disaster Risk Reduction”. As noted in the NAR of the Federated States of Micronesia, a joint approach to DRM and CCA, including climate financing, provides a way forward that is both more integrative and holistic. The most cost effective way for a country to reduce climate and disaster risks in the medium to long term is by factoring risk reduction into development planning, including infrastructure, land use and environmental management. Key DRM and CCA issues to be addressed include: improved coordination and resourcing; support for community level actions and inclusive approaches that take into account vulnerable groups; strengthening institutional arrangements; and building human resource capacity and expertise.

**Management of Wastes:** There is an urgent need to improve and adequately finance the management of solid and hazardous wastes at the national level. Wastes must be considered from a holistic perspective. Palau’s NAR recognised this need through including wastes under the heading “functional ecosystems”. Waste management strategies must also include waste minimisation through addressing the generation (causes and sources) of waste (Nauru NAR). The fragile ecosystems and limited carrying capacity of small islands are particularly sensitive to improper waste management issues, including a lack of sanitation infrastructure and human waste management. Improving sanitation, particularly for rural areas and densely populated atolls, is an urgent healthcare need.

**The Pacific Ocean (replacing Coastal and Marine Resources of the MSI):** The Pacific Ocean includes a wealth of resources: oceanic fisheries, coastal fisheries and aquaculture, and deep sea minerals. Sustainable management of these resources has potential to promote inclusive economic growth, improve food security, provide sustainable livelihoods, and promote the achievement of island development aspirations. However, balancing these opportunities with the preservation of ecosystem health and biodiversity is a challenge. Among others, the Pacific Oceanscape Framework aims to address issues related to the Ocean. However, to be effective the various existing framework must be strengthened. The Marshall Islands NAR asserts ocean-based resource management (the so-called Blue Economy) is absolutely critical to national development and for its Pacific neighbours. Many NARs echo the need for sustainable use, which together with the phrase “Precautionary Approach” proposed by Pacific SIDS through Rio+20, suggests that the focus should be on addressing unsustainable use and depletion while at the same time recognising the opportunity of Oceans in achieving Pacific development aspirations.

**Freshwater Resources:** Water shortages and contamination are often related not only to physical factors, but also to local development practices. The Papua New Guinea NAR states, "despite the abundance in water supply and Papua New Guinea’s ranking as one of the wettest countries in the world, accessibility to both quantity and quality of water for domestic, agricultural and industrial use is limited and costly". For many small islands water security is threatened by growing populations and urbanization; the impacts of climate change and pollution; and a lack of adequate water storage facilities. For example, Nauru has only 32 litres per day per person of potable water; and during the dry season this number is much less. Water shortages can be detrimental for subsistence and commercial agriculture. Across the Pacific there is a need to review, update and refresh commitments made under existing agreements and to develop and strengthen implementation of integrated water resources management practices at the national level (including through ensuring adequate financial resources). The Pacific Water Partnership on Sustainable Water Management and other strategies, may provide a way forward in ensuring the continuation of a coordinated and strategic approach to water and sanitation activities in the region.

**Land Resources:** The Fiji NAR highlights "that as the population has grown, so has the demand placed upon land resources (the land itself, agriculture, forestry, mining and quarrying) to meet growing basic needs of food and housing, as well as public services such as health, education and provision of utilities. These competing demands for land have given rise to problems of land degradation, rise in squatter settlements, loss of arable agriculture land to commercial developments

(for example tourism) and land disputes". As with Oceans, sustainable land management presents opportunities for improving food security; providing economic and employment opportunities in agricultural and forestry. The challenge in supporting the sustainable use of land and land resources through integrated land use planning is to further develop and implement comprehensive national policies and legal frameworks that encourage cooperation and joint implementation. These frameworks should be properly resourced for its effective implementation and enforcement. Customary landowners, the private sector, women, youth, NGOs and other stakeholders should be fully engaged in the development of integrated land-use planning and management. The need for land for social and economic development must be balanced with the need for ecosystem conservation and biodiversity preservation. On atoll countries, constrained availability of land increases the need for sustainable land management planning, including planning, particularly due to impacts of climate change and sea level rise.

**Energy Resources:** At two high-level energy meetings convened earlier in 2013 in Tonga and New Zealand, Pacific island leaders met with development partners seeking commitments to accelerate actions to increase the use of renewable energy sources such as solar and wind. Through this process, Pacific leaders committed to meeting half of their energy using renewable sources. Reducing the dependence on petroleum imports hinges on adequately financing and implementing energy strategies (which include renewable energy, energy efficiency and conservation). In developing energy strategies, improving access to electricity (approximately 70% of the people in the region do not have regular access) and reducing costs (electricity is more than US 50 cents per unit in some countries) remain a persistent challenge. Recognising the importance of reducing greenhouse gas emissions, national energy strategies must also aim to reduce loss and wastage (which is as high as 30% in some countries) and improve the cleanliness of the energy sector.

**Tourism:** For the tourism sector there is an urgent need to gather information in four areas: employment generation, generation of foreign exchange, contribution of tourism to the national economies, and government expenditures. For Samoa, a country that has seen rapid growth in tourism capacity in the past decade, a key development has been the adoption of integrated tourism planning and policies for ensuring sustainable tourism development. The Government of Samoa requires that all land use and coastal zone management activities undergo an environmental impact assessment. The greening of tourism may provide benefits in all three pillars of sustainable development.

**Biodiversity Resources:** The Pacific region contains a wealth of biodiversity (Papua New Guinea is labelled as one of the world's "mega-diversity countries" being home to an estimated 8% of the world's biodiversity). The Pacific Coral Triangle is also known as the "Amazon of the Seas" for good reasons. In order to protect biodiversity there is a challenge to fully implement national biodiversity strategic action plans and the goals and principles of the Pacific Islands Regional Action Strategy for Nature Conservation 2008-2012, and ensure that conservation has a development context that recognises and supports sustainable development aspirations. This includes the commitment and action to identify, conserve and sustainably manage priority sites, habitats and ecosystems; protect and recover threatened species and species of ecological, cultural and economic significance; manage threats to biodiversity, especially due to climate change and invasive species. In 2012, for Palau efforts to protect biodiversity resulted in the Future Policy Award from the World Future Council.

**Transportation:** Transportation is linked not only to trade, but also how children get to school, how people get to work and the accessibility of healthcare. International transportation in the Pacific is solely air or sea; while internal transport is by sea or road. There remains a need to implement at the national level the actions in the Regional Framework for Action on Transport Services, and other strategies, to improve access to affordable transport services in the Pacific. In particular, further actions are needed to ensure compliance with international standards across the various modes of transportation.

**Communications:** Improvements in communications and ICT can improve governance (through the ability to provide better data); improved service delivery in many sectors (such as health and

education); and provide people with increased connectivity. Keeping pace with rapid technology developments is challenging, thus there is a need to prioritise and support the long-term development of ICT infrastructure. Isolation further challenges to provision of affordable access for all and to support national development. For example, the Tuvalu NAR reports the need to strengthen partnerships at all levels in the country, regional, and international in order to close the gaps that remain in accessing affordable ICT, which include the upgrading of the quality and quantity of existing telecommunications infrastructure and greatly increasing connectivity.

**Health:** The Pacific region, as a whole, has made tremendous progress toward the health related MDGs. However, there are still gaps in providing affordable, high-quality healthcare to all. There remain particular challenges to deal with: non-communicable, communicable diseases and environmental health; family planning, maternal, child and adolescent health; and improvement in health systems. Of particular concern is the lack of secure sustainable funding noting the Response Fund and the Global Fund arrangements end in 2013. Because of the alarming rate of growth in the incidence of NCDs, this is the subject of a separate section on new and emerging challenges and opportunities.

**Science and Technology:** Science and technology, including traditional knowledge has tremendous potential to make large strides in developmental outcomes. The Papua New Guinea NAR recognises this and in the context of being able to derive benefits from scientific discoveries within its rich biodiversity, reports the move to establish a Science and Technology Council. Science and technology can be promoted through the collection, analysis and open sharing of data and information, across academia, government and the private sector. A challenge in science and technology is the lack of expertise in the region. Few Pacific islanders pursue a tertiary degree in science or technology, and those with a tertiary qualification may be likely to accept employment outside the Pacific (“brain drain”). National science and technical policies could be developed to address some of these issues.

**Trade:** Trade is directly linked to food and energy security and medical supply provision. High-priced imports place a burden on Pacific households given variable global prices (including food and energy). The integration of the region’s economies presents significant opportunities to raise living standards for all. However, the slow pace at which regional trade agreements are being implemented is a concern. Temporary labour mobility, both within and outside the region, is important for improving economic opportunity. The ability among Pacific countries to successfully benefit from trade negotiations is hampered by weak national and regional capacities on various technical issues and the inability to translate regional commitment into supporting national legislation and policies/actions. Trade also needs to be seen more in the context of sustainable development given its impact not only on government finances but also on the environment and welfare of the population. As an example of national efforts to address this issue, the Vanuatu NAR reports the establishment of the Trade Policy Framework in 2011 *inter alia* to mainstream trade into the national development strategy, enhance development through increased exports of goods and services, inform trade negotiations, and facilitate increased inflows of Aid for Trade.

**Sustainable Capacity Development and Education for Sustainable Development:** Across the Pacific, there have been tremendous gains in providing primary education and in reducing gender inequality in education. As noted in the Federated States of Micronesia NAR, "a critical challenge for the education sector is to improve the quality of education and to make education relevant to the economic and social/traditional needs of the nation". Although there has been improvement in the MDG goal of universal primary education, a few countries still have low net enrolment in primary education. Access to primary education remains a concern for many children in remote areas, low income families, and children and youth with disabilities. Large numbers of untrained teachers, low teacher competence, high teacher absenteeism and migration of trained teachers continue to be a concern. Secondary school and TVET options remain limited especially for lower income groups, those in rural areas and outer islands, and girls and women. There is a lack of students pursuing tertiary education that will build the capacity needed for sustainable development, such as science, education, medicine, fisheries, agriculture, statistics, and many others. In order to bring about

effective and efficient education reform, there is a critical need to rethink educational investment in a way that promotes the quality of education, supports future scientists and leaders and links education to sustainable capacity needs. Incorporating sustainable development priorities (such as climate change, energy use, waste minimization and nutrition) into the curriculum of primary and secondary schools can also result in cross generational gains in sustainable development. An example of promoting tertiary education is evident by the intention of the Solomon Islands to convert the Solomon Islands College of Higher Education into the Solomon Islands National University in response to the increasing demand for cost-effective skills training and higher education.

**Sustainable Production and Consumption:** This issue has not received too much attention in the Pacific particularly the consumption or demand-management initiatives. But it is evidently a key issue in some of the small and isolated countries where the growth potential is limited by distance and size while the risks of unsustainable production and consumption patterns are easily seen in the degradation of fragile environments and the depletion of resources. It is also interesting to note how one of the NARs (Tuvalu) not only suggests the need to focus on “need” instead of “want”, it also laments the (new) “culture of self” when talking about attitudinal issues and demands on resources. Improving sustainable production and consumption relies a great deal on the private commercial/merchant sector which operate the market place but government could also play a key role in providing an appropriate enabling environment including relevant regulatory provisions. Demand management strategies including through education and awareness programs is important as well.

**Knowledge Management and Information for Decision-Making:** The Tuvalu NAR states, “it is when we try to realise our vision of development that we find we do not really know what development is”. The NARs indicate that the commitment to sustainable development principles by Pacific populations, including the private sector, is not high and may be eroding with the increasing influence of the cash economy. Indicators which demonstrate the value of the social and environment pillars of sustainability are needed to improve appreciation of sustainable development and inform decision-makers in both the public and private sector. The improvement of indicators requires improved collection, analysis and dissemination of data remains often overlooked. In particular, developing and strengthening the monitoring of environmental change is highlighted in several NARs (for example, Papua New Guinea and Marshall Islands). Technology has potential to bring data collection across sectors forward a quantum leap (for example, linking social and environmental data spatially using GIS technology and providing user-friendly, on-line database portals). The message regarding improving data is not just evident in the Pacific, but across the globe. The term “Data Revolution” in the Secretary General’s High-Level Panel Report on the post-2015 development agenda stresses the importance of moving beyond GDP in measuring development; such as through adding natural resources to the asset boundary of GDP through the System of Environmental Economic Accounts.

**Culture:** As the Samoa NAR highlights, “it is important to build on existing strengths of the people and culture. Traditional knowledge accumulated over many years of adaptation to life on small islands continues to determine much of the economic activities in the region. There is a need to explore opportunities to complement traditional economies in order to improve cash economies and provide new livelihoods without supplanting them”. The key challenge remains to develop and strengthen the understanding among governments and development partners of the contribution of culture to sustainable development and the wellbeing of people. This requires improving the evidence base with the compilation of cultural statistics, strong policy support, and a clear understanding of the cross-sectoral role of culture. The evidence-base must extend across the following issues: the economic benefits of culture; valuing culture; trade; marketing and access to finance; gender and human rights; bio-cultural diversity; and improving the policy environment. Culture should be viewed as living and evolving, thus in promoting cultural industries and participation effort is needed to promote aspects supportive of inclusive and sustainable development while discouraging those that result in inequality, social exclusion or mismanagement of resources.

## 2. ACTIONS FOR FURTHER IMPLEMENTATION OF THE BPOA AND MSI

“Navigating Stormy Seas through Changing Winds - Developing an economy and building a nation and the modern challenges of a Small Island Developing State.” (Cook Islands NAR: Theme)

To indicate areas where further action is needed, we summarise in here the priorities identified by PSIDS through their NARs or other means of communication. For example, Niue submitted a matrix and a memo summarising its priorities while Timor Leste suggested that the “Dili Consensus” be referenced. The summary of country priorities is followed by a discussion of areas considered to be critical to the success of the further implementation of BPOA and MSI.

### 2.1 National priorities (summarized from the 14 available NARS/Matrices)

A matrix has been prepared for each of the 14 PSIDS which prepared a NAR or a national matrix which summarises what the NAR says in relation to the four objectives of the Conference and the Means of Implementation and Partnerships. These had been submitted to the countries and they will be available at the Meeting for ease of reference. What follows below is an overall summary of the main issues and priorities listed in the individual matrices:

**Cook Islands:** Good governance to support development now and in the long term; protect and invest in people (including addressing depopulation and culture and wellbeing); invest in the social sector especially equitable services for vulnerable populations and youth; self-sustainability in energy and food security; climate change as a whole of development issue; infrastructure development; and growing tourism development while diversifying the economic base.

**Federated States of Micronesia:** Key new and emerging challenges: implementation of actions related to a joint approach to disaster risk and climate change adaptation, including climate financing; improvements in the health sector including NCDs; develop and strengthen capacity building opportunities; and improve access to affordable energy options including renewables and energy efficiency. Priorities listed in terms of governance ranging from renewed political commitment at all levels to social issues (including poverty reduction, gender equality, health, social cohesion, youth and disabled persons, employment, and education).

**Fiji:** Strengthening governance as a platform for sustainable growth and future prosperity, combating the root causes of human trafficking; build capacity in social protection, equitable access to water; social and cultural impact of ICT; survival of local culture and traditional practices, focus on men's health; vulnerability to natural and man-made shocks; building Fiji's competitive advantage as a hub for Pacific SIDS; and managing urbanisation and rural development.

**Kiribati:** Climate change adaptation which if not progressed could cost US\$8-16m per year or 17-24% 1998 GDP; address natural and environmental vulnerabilities (biodiversity, land, minerals, water and energy resources) including stresses arising from urbanisation; provision of adequate curative and preventative health care including through addressing the lack of infrastructure and lack of skilled human resources; improve policy and institutional arrangements to address the disconnect between planning for economic and social wellbeing and environmental wellbeing; development; ensure effective monitoring and coordinating mechanisms; a serious commitment to create a green economy.

**Marshall Islands:** (For post-2015 development agenda); Strengthen national enabling environment (establish 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); climate change – it is impossible to talk about development in the Pacific without considering the impact of climate change, particularly atoll states; ocean including fisheries and coastal management (the so-called Blue

Economy); education – develop human resources capacity in particular through quality of education (rather than simply quantity); health – the explosion in rates of NCDs represents a health crisis, health care systems must be strengthened to respond to this crisis as well as other concerns such as unintended teenage pregnancies and youth related issues. Women’s empowerment and gender equality as well as services for the disabled population were also prioritised.

**Nauru:** Improve coordination across sectors; develop; strengthen meaningful partnerships with donors; and at the sectoral level; improve the security of freshwater resources from current 32litres/day/person to a recommended minimum of 50; improve management of waste including waste minimisation; improve education performance especially at secondary and tertiary level and in scientific and technical areas; improve performance in the energy sector including achieving a target of 50% renewable by 2015; address the environmental damage and rehabilitation from phosphate mining that has negatively impacted on 80% of the terrestrial ecosystem habitat..

**Niue:** Improve implementation of sustainable development through integrated approaches and stakeholder engagement (especially farmers) particularly to ensure ecosystem services support tourism and address climate change. Other issues proposed for the post-2015 development agenda include; population change, disaster management, trade, fisheries, education, and social development.

**Palau:** Sustainable livelihoods and wellbeing (including care to the elderly, human trafficking and human rights, gender equality, culture and tradition science and maths into school curricula, reducing NCDs, improve local production of food and decrease imports that are unhealthy; clean energy (including setting regulations and standards on carbon emissions for vehicles, incineration and power generation and encouraging energy efficient imports); food security (including improving data, increasing local food production, increasing job opportunities in agriculture, fisheries and aquaculture, pest eradication, development of drought resistant crops); functional ecosystems (including need for storm water, land fill and waste management regulations, improve sewerage infrastructure, establish hazardous waste disposal site and a zero waste policy); good governance (including implementation of existing policies, and outcomes of Forum peer review integrate social and natural capital into finance and budget process and economic valuation of ecosystem services).

**Papua New Guinea:** Papua New Guinea was one of only 50 countries selected to undergo a country dialogue on the post-2015 development agenda. The outcome in a report of May 2013 lists the following as overall themes: growth and employment; peace and security; civic engagement; education; public administration; health, water; food security and nutrition; inequalities; energy; environment; population dynamics; conflict and fragility.

**Samoa:** Samoa is graduating from LDC status with the assistance of its partners and acknowledges the important contribution of partnerships to SIDS sustainable development and thus is proposing the theme for the 2014 SIDS Conference of “*The Sustainable Development of SIDS through genuine and durable partnerships*”. Samoa also sees the 2014 Conference to be the launching ground of SIDS specific and concrete partnerships. Future goals include: building resilience; addressing growing inequalities; and addressing economic insecurities and heightened vulnerabilities. Priority strategies are: coordinated economic management, coordinated investment in inclusive development; and sustainable resource management; and partnerships and means of implementation; women’s empowerment and gender equality as well as services for the disabled population.

**Solomon Islands:** Equitable and sustainable rural and general economic development and sustainable livelihoods; good governance and leadership at all levels; promote law and order and a peaceful country; increase education and employment opportunities; invest in human resources, infrastructure/services and institutional development; improve health and medical services; improve water supply and sanitation; improve social and cultural services; improve general environment protection and resources management; improve the integrity of the marine environment and resources (especially oceanic fisheries); improve sustainable agriculture for food security; invest in renewable energy; invest in ICT connectivity; promote private sector development; promote green growth,

develop tourism; cost effectively and sustainably build on the gains from MDGs, MSI and Rio+20 outcomes and merge the intergovernmental processes of MDGs and SDGs.

**Tonga:** Need for an institutional framework to guide and coordinate sustainable development efforts and decision-making at all levels and in all sectors; strengthen partnerships between government, private sector and civil society; reduce huge public debt level, climate change and severe weather events; weak linkages between environment and socio-economic pillars impact on fisheries and agriculture sectors. Social issues related to increasing population, migration, youth and gender need to be appreciated more.

**Tuvalu:** Broad priorities remain as in the mid-term review (2011) of the national sustainable development strategy *Te Kakeega II*. These include: good governance; social development including health, welfare, youth, gender, housing and poverty alleviation; outer island and *Falekaupule* development; employment and private sector development; human resource development; natural resources development including agriculture, fisheries, tourism and environmental management; reliable and affordable infrastructure and support services. Cross-cutting these priorities is the need to address: depopulation, declining agricultural production, food security, increasing youth unemployment, NCDs increase and threat of HIV/AIDS, and solutions to hardship and poverty.

**Vanuatu:** Need to mainstream climate change and disaster risk reduction into national planning and budgetary processes; gender mainstreaming ensuring equitable participation and empowerment of women in social, economic and political decision-making; ensuring youth have adequate access to employment, livelihood opportunities and basic services; trade, including encouragement of exports and improvements to quarantine and trade facilitation; health including promotion of primary health care with sufficient community health workers supported by national actions in regard to supplies and equipment, as well as addressing gender-based violence.

As noted, **Timor Leste** requested reference to the “Dili Consensus” outcomes which, for the information of the Meeting, prioritizes human security and poverty eradication, including for women, children, disabled and vulnerable populations, as the over-arching issues. It identifies four emerging areas for integrated actions: inclusive economic growth (including private sector development), peacebuilding and statebuilding; climate change and environmental management (particularly of Oceans). Further promotion of the following MDGs, with some refinement, is also needed: health, education, women’s empowerment, water and sanitation, and global partnerships.

## **2.2 Critical areas to address in the further implementation of the BPOA and MSI**

It should be said that the country summaries in section 2.1 are what the PSIDS have identified as important and requiring continuing attention. It ought to be said as well—as was noted in the Pacific Report for the MSI+5 and the Port Vila Meeting Outcome Statement concluded in February 2010—that there is much unfinished business on implementation of the BPOA and MSI. The vulnerabilities of Pacific nations remain while resilience and capacity to cope—which has largely depended on traditional social systems in the past—is declining.

The severe impacts of **climate change and natural and human-induced disasters** illustrate these realities. The effect of Tropical Cyclone Evan on both Samoa and Fiji late last year and the drought in the Marshall Islands in May of this year highlights are cases in point. Likewise, the impact of the **global economic crises** (financial, food and fuel) on the Pacific, have not only eroded earlier development gains, they have exacerbated the vulnerability of the human communities and the natural world.

Climate change is recognised by the PSIDS as the single greatest threat to the livelihoods, security, social development and wellbeing of the region. Countries in the region remain seriously concerned that emissions of greenhouse gases continue to rise. In the words of the Marshall Islands NAR, “The failure of the international community to collectively provide an adequate response to climate change

threatens any progress the RMI makes on the issue.” Many of the adverse impacts are well documented, but new issues in particular those related to ocean acidification continue to emerge. Challenges remain with regard to access to climate financing, and use of other climate-related resources.

For a long time, **poverty** was not considered a serious issue in the Pacific. However, with roughly 2 million people living in poverty in Papua New Guinea alone, and poverty rates above 20% in almost all Pacific countries, it is now surely an issue of serious concern. Poverty in the region is measured using national basic needs poverty lines (BNPL) which not only take into account the amount needed to guarantee a minimum food intake but also considers other essential expenditure such as housing, transport, education, clothing and utilities. The challenge of reducing poverty is even more difficult in fragile and conflict-affected SIDS, as the recent 2013 Dili Consensus theme recognised "Development for all: Stop conflict, build states and eradicate poverty." The challenge for the Pacific region is to ensure that the post-2015 development agenda is adapted to national circumstances as a key way to combat poverty, build resilience and reduce vulnerabilities and inequalities which are also on the rise in many of the island communities.

There is no doubting the merits of the SIDS's "**special case**", defined largely by small size, extreme isolation, limited and narrow resource bases, geographic dispersion and isolation from markets, diseconomies of scale, capacity limitations, susceptibility to climate change and natural disasters and global crises. This "special case" should remain a key issue for the post-2015 development agenda.

For the Pacific region, the largest shared resource is the 30 million square kilometres Pacific Ocean and its resources. For most Pacific countries the ocean comprises more than 99% of their sovereign territory. The post-2015 development agenda needs to ensure healthy productive and resilient oceans. **Ocean acidification** is emerging as a serious threat to the survival of oceans and Pacific communities which is closely tied up with climate change in terms of causes.

Inclusive and sustainable economic development enables development across the three pillars of development. A **lack of economic growth** thus constrains development. In the Pacific, most countries have averaged 2% or less GDP growth per annum with the exception of the resource driven growth in Papua New Guinea. The traditional obstacles in the Pacific, such as remoteness and diseconomies of scale, continue to present obstacles to growth. The impact of global economic shocks and uncertainties further strains economic development. It is unlikely that high or stable growth rates will be experienced by many countries in the Pacific in the foreseeable future.

There has been success in integrating sustainable development principles and MDGs into national plans as reflected in the many national development plans, policies and sector policies, frameworks, road maps and the like, which are supported in most instances by regional and international equivalents. However, significant **gaps remain** in coordination; partnerships, participation and inclusion; human and institutional capacity; and meaningful and measurable sustainable development indicators and targets to monitor and evaluate progress. There remains a notable lack of data, analysis, and information and knowledge management for supporting evidence-based decision making.

There is acknowledgement of **limited financial resources** on one hand and a deep appreciation of the partners and their respective contributions at all levels. Samoa for example credits the mutually beneficial and durable partnerships it has had with development partners for the success it has had in graduating from LDC status. There is a strong message in some of the NARs, therefore, for on-going predictable support using simplified and expeditious systems rather than short-term, project-based support for which the outcomes if achieved are often not sustainable.

**Institutional and human capacity** is generally weak across the Pacific, especially in the smaller countries. On-going capacity building is essential. Support from regional and international organisations and technical institutions should be in line with national priorities and culturally sensitive. As the first paragraph of the Declaration of Barbados states, "human resources and cultural

heritage are SIDS most significant assets and the central position of people in sustainable development must be assured”.

Without effective support for **human rights**, sustainable development is not possible. Human rights violations are both a cause and a measure of poverty. A decent standard of living, adequate nutrition, health care, education, decent work and protection against calamities are not just development goals—they are also human rights empowering people and communities. Respecting and protecting human rights is also a cause and a measure of good governance.

All Pacific SIDS, including in all most NARs have repeatedly called for the need to develop and strengthen **good governance, at all levels**. National governance systems is said to need greater transparency and accountability. Whilst there is no single model for good governance, a clear message is that every government should work effectively for the people of a nation and ensure that they: (1) go beyond the ratification of human rights treaties, and integrate human rights effectively in legislation, policy and practice; (2) firmly establish the promotion and deliverance of justice to strengthen the rule of law; (3) understand that the credibility of democracy depends on the effectiveness of its response to people’s political, social and economic demands; (4) promote checks and balances between formal and informal institutions of governance; (5) be effective in making necessary social changes, particularly regarding gender equality and cultural diversity; (6) exhibit political will, public participation and awareness; and (7) quickly respond to challenges , such as corruption and violent conflict.

### **3. NEW AND EMERGING CHALLENGES AND OPPORTUNITIES FOR PACIFIC SIDS**

"Palau is working towards a shared vision in its planning and budgeting process and invites the global community to support priorities set by the nation to meet the challenges of tomorrow" (Palau NAR)

At the outset, it should be noted that the lessons and priorities identified under Parts 1 and 2 of the Report remain valid for any discussions on the sustainable development priorities or plans for PSIDS. There are also issues or perspectives already discussed in the previous sections which may be considered new and emerging at least in their urgency. Examples of such issues are the need to address the root causes of poor implementation, accelerate integrated approaches, and recognition of the persistent presence of poverty.

What this part of the report focuses on are those issues which loosely come under the theme of social inclusion; many of them surfacing as part of the review of MDGs. These issues would not have been a focus of the BPOA and MSI reviews so they can be said to be new and emerging in that sense. Also, if they are not new in what they look like, they are becoming critical for many of the PSIDS.

For example, the region is characterised by a significant and rising **youth bulge**. The youth age group of 15–24 (and in some countries 30+) years accounts for nearly two million people now, close to a fifth of the region’s total population and as much as a third of the adult working age population. The challenges facing youth have become critical as increasing numbers have little or no education, employment or training. Engaging young people in development efforts and employment is a means to accelerate achievement of outcomes; participation ensures that young people are active citizens with the ability to improve delivery and innovation of programmes and services. Investing in building the skills of youth will thus advance socio-economic and political developments in their respective countries and the region as a whole. It is important to view young people as an opportunity for finding new solutions rather than as problems for development. Implementation at the national level of the Pacific Island Forum Youth Development Framework for the Pacific could be one important step.

The number of elderly in the Pacific SIDS is projected to increase at an average rate of 3.6 per cent between 2000 and 2050 (by 2015, there will be nearly 600,000 elderly persons over 60). The increase

in the proportion of elderly is a result of demographic transition in the Pacific: declining birth rates and increasing life expectancy through improved health care. In some countries, the proportion of older persons, especially in rural and remote areas, is further exacerbated by migration of the working age population to urban areas or abroad. **Ageing** populations have profound social and economic impacts especially on the health sector and other social services. Additionally, disabilities are disproportionately found in older age groups. The increasing proportion of elderly will result in a growing demand for formal social protection, in addition to traditional and cultural structures. Especially, since traditional social protection is declining in many countries due to urbanisation and increasing monetisation of economies. Some Pacific countries are already paying pensions to their older citizens, in addition to contributory provident funds. There is a need as well to consider a change in perspective whereby the elderly are encouraged to remain healthy, engaged, and productive in their advanced years.

The governments in the Pacific region have made some positive changes in recent years to address **disabilities**. There is increasing awareness of disability issues across the region, and enhanced political will to ensure that policies and development plans are disability-inclusive. Development partners and inter-governmental organisations have taken a strong lead in providing technical assistance and resources. Disability inclusive development is now recognised both as a human rights issue and a development issue with opportunities to contribute to social and economic life of society. Nonetheless, there are many challenges which need to be addressed including: negative attitude/accessibility/discrimination; lack of legislation; lack of advocacy; lack of capacity and resources; lack of disability related data; and the need to strengthen early identification, intervention and rehabilitation.

Across the Pacific there have been important gains in **gender equality** in education; however, low political participation and formal employment of women and high violence against women reveal high levels of gender inequality. This results from gender inequality manifested in socio-cultural norms, stereotypical gender roles and lack of empowerment that deter women from leadership positions. In the Pacific, women contribute significantly in the economic sphere, but their work, namely home-based or focusing on subsistence agriculture, marketing of agricultural products, and petty trading, remains mainly in the informal sector. Limited access to economic and education opportunities, low proportion of women across the levels of decision making in some countries, as well as addressing gender based violence and high maternal mortality remain key gender issues undermining development. In response to these inequalities, in 2012 the Pacific Forum Leaders adopted a Gender Equality Declaration to formally recognise the commitment of leaders to gender equality. Improving gender equality will bring opportunities to make a significant contribution toward creating a prosperous, stable and secure Pacific for all current and future generations.

**Non-communicable diseases** (NCDs) are not new; however, the alarming rate of growth in the incidence of NCDs and its impact on society and public resources is an emerging issue for the Pacific. NCDs now result in up to 75% of deaths annually in some Pacific countries and increasing numbers of young people are suffering from NCDs. In order to address NCDs, early detection and intervention and multi-sector response, involving not only health but also trade, agriculture, education, transportation and other sectors, is needed. Addressing the underlying causes of NCDs, such as poor nutrition; lack of physical activity; smoking and alcohol use; and unhealthy lifestyles, will result in a healthier, more productive society. This will in turn contribute opportunities for economic growth.

**Food Security** is a major health and development concern in the Pacific. It cuts across sectors: agriculture (sustainable land use), fisheries (sustainable Oceans), trade, water security, health, biodiversity and other sectors. Food security relies on stable access to sufficient quantities and high quality (nutritious) food. All members of society, including people in poverty, require access to sufficient, safe and nutritious food. Food security in the Pacific depends on the availability of healthy food, including locally produced and imported. Integrated actions to ensure food security are called for in the NARs.

**Decent work**, especially green jobs form a foundation for inclusive and pro-poor economic development. Increasing decent work is needed to reduce poverty. Supported by strong tripartite relationships (governments, workers and employers), implementing a decent work agenda is key to building sustainable economies and a better balance between the economic social and environmental development pillars of development. For the Pacific, the employment agenda requires that jobs are productive, provide adequate incomes and social protection (including combating child labour), respect the rights of workers and give workers a say in decisions which will affect their lives. The actions in the 2010 Pacific Action Plan for Decent Work need to be fully and effectively implemented at national level.

**Labour migration** has a long history in the Pacific region, particularly in relation to seafaring and in recent years, small-scale temporary labour mobility agreements. Temporary labour migration holds the potential opportunity for delivering significant development benefits for the economies of small Pacific islands. Temporary labour migration has potential to transform development outcomes beyond the transmission of remittances to other areas including training and skills acquisition. An overriding concern for all Pacific governments is the welfare of their nationals. Appropriate policy and regulatory frameworks to protect migrant workers and their families from exploitation and to support them while abroad are therefore fundamental tenets of Pacific country arrangements for effectively governing labour migration.

**Private sector** is a crucial to inclusive and sustainable development given its role as the “engine” of growth. It presents opportunities to increase formal sector jobs and to improve the link between the education and skills required in the labour market. Better linking education and private sector, is necessary for improving employment options for Pacific islanders, especially Pacific youth. In recent years, regional efforts to promote job creation have gathered momentum alongside commitments to decent work. Addressing youth unemployment has become an urgent social challenge in order to reduce urban crime and violence.

There are other emerging issues as well that could be considered from the perspective of social inclusiveness. The United Nations General Assembly confirmed “that unsustainable patterns of production and consumption can impede sustainable development”, and recognised “the need for a more inclusive, equitable and balanced approach to economic growth that promotes sustainable development, poverty eradication, happiness and **wellbeing of all people**” (UNGA Res 65/L.86). The wellbeing or happiness of people in the region was recently analysed in the Vanuatu Indicators of Wellbeing pilot study. There are important references in the NARs and in related reports to the need for recapturing the lost values of community, sharing and caring.

The effects of unplanned **urbanisation**, and the associated issue of depopulation of outer islands, are growing. In half of the Pacific countries the majority of people live in urban areas. Rising urban populations place burdens on infrastructure and the provision of services. In some urban areas, social stress is undermining efforts to achieve good governance. If the need for better urban planning is not addressed now, there will be serious challenges due to increasing populations; including rise in urban poverty and associated over-crowding, ill-health, declining educational participation, growing unemployment, feelings of discouragement among youth populations, and even social conflict.

The elements of **infrastructure** are dealt with in this report and the MSI itself under water, energy, telecommunications, health (hospitals and health centres) education (schools) and transport (principally shipping including wharves and jetties, aviation including airports, and road transport). The area of transport is one where there is a particular need for a more inclusive perspective. In the case of the Pacific SIDS being faced with long distances and thin routes, the conventional market-based view of shipping and aviation will remain a challenge in the Pacific unless there is an appreciation of the value of human interaction and of regional cooperation. In cases where regional air transport arrangements have not worked in the Pacific, it is sometimes the case of the narrow industry interests being prioritised against the wider interest of the economy and regional market.

## **PART 4            PACIFIC SIDS PRIORITIES FOR SUSTAINABLE DEVELOPMENT AND FOR CONSIDERATION IN THE POST-2015 DEVELOPMENT AGENDA**

We start Part 4 with three quotes. One is by a PSIDS Leader (RMI), the second is the conclusion of one of the NARs (PNG) and the third is one of the feedback comments received for the finalization of the regional synthesis (PSIDS Group). The first, illustrates the view that the PSIDS have taken on the issue of climate change including on their leadership role and political will. The second highlights again the issue of leadership and good governance in the context of sustainable development and its enabling environment including its tools and institutional arrangements. And the third is a clear indication of the wish of the member states for transformative change, a wish well reflected in many of the other NARs<sup>1</sup>.

1. *"The URGENCY of the issues facing the most vulnerable countries, and the political will needed to carve new solutions, can no longer hide behind the veil of self-interest and finger-pointing of the major economies. The Marshall Islands – and small island states and least developed countries around the world – firmly refuse to become collateral damage or casual discards because of the absent leadership of the most powerful. We ourselves are leading, not only through our politics, but our own actions. We are taking large strides on local adaptation efforts, but we are still walking when we must run. I challenge the thick web of climate finance actors to work with us in building our own capacity, in learning by doing, to focus on small island states as a unique category, and to recognize that the success or failure of adaptation results is not reflective of our political will, but more so of your delivery", Minister Tony deBrum, Marshall Islands, at UNFCC COP18 Doha December 2012.*
2. "Sustainable development in PNG will require a careful balance between the three pillars of inclusive social development, environmental sustainable development and sustainable economic development. Cross cutting all three areas will be the need for a strong framework for peace and security.

The above issues point to a clear roadmap for the post-2015 global architecture. The emphasis on honest leaders, good governance, affordable and accessible social services and economic opportunities are clearly aligned with the pillars of sustainable development – economic, social and environmental development. In addition, one clearly sees a concern for equity, a need for greater commitment to gender equality and women's and girls' empowerment and non-discrimination emerging from the consultations.

In summary to the outcomes of the national Post-2015 consultation, 13 overall themes were derived indicating growth and employment as the number one priority, followed by peace and security, civic engagement, education, public administration, health, water, food security and nutrition, inequalities, energy, environment, population dynamics and lastly conflict and fragility.

In addition, as member of the SIDS group of countries, PNG is committed to a green economy as well as the strengthening of a sound institutional framework for sustainable development. Reflecting our relationship with marine and maritime resources we, like other Pacific Island countries, recognise that the green economy also complements our need to also commit to a "blue" economy. (Full Conclusion, PNG NAR)

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<sup>1</sup> The Samoa NAR uses the term "transformational change" in respect of what is needed to achieve gender equality.

3. “We would also underscore that the meeting outcome must be action-oriented, transformative, and with clear set of recommendations that included means of recommendations and accountability provision for development partners” (PSIDS Group, New York)

It is with this sense of wanting some real change and avoiding a business as usual or a “shopping list” approach that we have sought to restate here some of the more commonly stated priorities in the NARs. The NARs clearly indicate a wish for change as well but the suggestion above for “new solutions”, for “greater commitment” and for “transformative” recommendations suggests to us a new resolve to make a difference through this process and Meeting.

To arrive at a short list of priorities that are strategic in nature and transformative, we have adopted the approach of some of the NARs to cluster the ‘what-to-do’ priorities separately from the ‘how-to-do-it’ priorities. If there is anything to be learned from the previous decades of slow and uneven progress toward BPOA and MSI and MDGs, it is that the strategies and tools for implementation including for strong leadership and political will are even more critical than the visions and goals.

The most commonly identified priority **Goals** of the Pacific region are related to: (1) *Climate Change* in all its manifestations across the development agenda including in Oceans and through Natural Disasters; (2) *Health especially NCDs*; (3) *Social Inclusion* (poverty, inequalities, population pressures, wellbeing, education, youth; ageing; gender, people with disability, employment); (4) *Infrastructure and Urbanisation* (water, energy, ICT, transport); and (5) Sustainable Resource Management (oceans and fisheries, food security, land, agriculture, forestry, tourism, biodiversity).

Even more importantly perhaps given the conclusion of the BPOA and MDG reviews is the second cluster of what we call the enablers and their pre-requisites, strategies and means of implementation and partnerships. The commonly identified **Enablers** are: (1) *Governance* (leadership and political will, transparency and inclusiveness, accountability, human rights, peace and security, rule of law); (2) *Inclusive and Sustainable Economic Management* (macro-economic policies, budgeting, public expenditure allocation and national debt management, green economy, private sector development, investment); and (3) *Means of Implementation and Partnerships* (development partnerships and financing, knowledge and technology transfers, capacity development, regional integration and south-south and triangular cooperation, and trade).

In our view, the messages from the NARs are well aligned with the findings and discussions being made at the global level. For example, the UN Secretary General’s High Level Panel (HLP) of Eminent Persons report underscores the necessity of **economic transformation** for the post-2015 development agenda, including a renewed focus on inclusive green growth to address climate change, ocean acidification, pollution and environment damage. The HLP noted the importance of changing the economic growth model from one that is carbon-based and resource-intensive to one which promotes sustainable and inclusive production and consumption; from one that marginalises people to one which promotes gender equality, social and intergenerational equity, builds on decent work and provides sustainable livelihoods. To facilitate such an outcome, a new balance must be struck between incentives and disincentives for investment and public resource allocation. The NARs speak specifically of investing or re-investing in human capital and social inclusion as well as in sustainable resource management. The NARS also exhibit a new language and perspective that recognises the economic cost of social problems (of gender discrimination/violence and of NCDs) and of dependency (on fossil fuel and on import-led consumption); the economic value of ecosystems and social assets; and the economic impacts and causes of climate change, climate-induced natural disasters and waste. At least eight NARs (Solomon Islands, Fiji, Samoa, Palau, PNG, Cook Islands, Tuvalu and Kiribati) refer to or commit to green economy as an important tool for transforming the economy to a low-carbon, inclusive and sustainable resource user.

This same realization of the potential in a transformational approach led world leaders to call for an alternative development paradigm. In June 2012, the outcome from Rio+20 “*The Future We Want*”

recognized the need for **broader measures of progress to complement GDP** in order to better inform policy decisions (para 38). As a result, the focus has turned to developing measures to value wellbeing and happiness, which many countries and organization globally are pursuing. One example from the Pacific region is the 2012 Vanuatu "*Alternative Indicators of Wellbeing for Melanesia*" report which was the product of a 2-year study endorsed by the Melanesian Spearhead Group. The three unique domains of wellbeing explored in the study—resource access, cultural practice, and community vitality—are intended to add additional information to the existing measures of developmental progress. Some of the NARs and Pacific regional meetings in recent years similarly refer to the need to revive the values of community-sharing and the respect for nature that are often held up as the reason the islanders have been able to survive for so long on limited soil and in often turbulent waters.

The **valuation of assets** is a key tool for transformation. No behavioural change is possible without registering first in minds and belief systems the value and therefore appreciation of environmental and social assets of individual human being and communities. There is also increasing interest in looking at co-benefits of certain fiscal and market tools that raises revenue through green taxes and polluter-pay levies which benefits the environment (Palau airport tax and Fiji green tax) and help the poor through pro-poor transfers and social protection. The recognition of the need to measure the value of biodiversity to the economy (e.g. eco-system services, tourism and organic trade) and to livelihoods; and the quantify the economic cost and pressure on household and national budgets imposed by social problems (gender violence and crime and poor health are some examples of how new views and thinking are evident in the NARs.

Change in thinking or belief require the support of evidence (of value and of measuring) and the tools to **gather the data, develop indicators and integrate them into planning and policy making** as well as monitoring and information sharing. As the report of the High Level Panel on the Post-2015 Development Agenda suggests re the statement "Wanted: A New Data Revolution", there is a need to go beyond current statistical parameters to ask the essential question of what is to be valued and how best can we capture and promote it through indicators, policies and behavior.

### **Means of Implementation and Partnerships**

No matter how much the PSIDS are able to do on their own, without the additional resources from the international community, those countries with limited means are unlikely to be able to adapt to an increasingly volatile environment of climate change and natural disasters as well as to persistent global economic crises. There is also the long recognized historical responsibility of developed countries to help the developing and special needs countries including the SIDS. The “special case” of SIDS and the principle of Common and Differentiated Responsibility reiterated at Rio+20 reflects well the case for additional support that countries with limited capacity need in order to deal with an increasingly precarious environment.

Agenda 21, the Johannesburg Plan of Implementation and the Rio+20 identified finance, technology development and transfer, capacity building, trade, regional integration and South-South cooperation as primary means of implementation. Meaningful partnerships and good national enabling environments are crucial foundations for means of implementation. There are two broad strategies the PSIDS could use to get the most out of what the international community offers in the way of assistance.

The first area is to pressure the development partners to meet their obligations on **ODA targets and climate financing**. A major complaint is one against the complicated requirements and procedures in financing mechanisms which has led one country to state that it will pursue “bilateral arrangements...due to inefficiencies in dealing with multilateral and regional mechanisms in accessing development assistance”.

The second area of focus is on the multi-benefits (**co-benefits** as known in health and ecosystems approaches) of securing additional resources and revenues while minimizing the externalities and loss

of future income. Enablers are critical as previously discussed and must therefore apply fully in the consideration of the means of implementation. A green economy perspective of public and private financing will note that climate financing is overshadowing development cooperation and that it's going to be called the *Green Climate Fund* with its headquarters in Incheon South Korea the so-called green capital of the world. Assuming that the commitment to green economy evident in many NARs becomes a reality, this places the PSIDS in a good position to take advantage of the greening of climate change financing. Some of the government ministers are already promoting the kinds of projects that taps on the co-benefits of adaptation (e.g., *greening tourism* through renewable energy) and mitigation (i.e., *reducing the use of and the import bill for oil*) will have a lot of currency.

In the area of **trade**, the PSIDS can continue to push for special and differentiated treatment to access special arrangements including those for Aid for Trade. The focus on the Rules of Origin for fish products and on *labor mobility* is of special interest to PSIDS. So are the efforts to control unreported, unregulated and illegal fishing as well as to ensure *sustainability of stocks* through conservation measures and the removal of *fishery* and *fuel subsidies* which encourage overharvesting. There is a related concern regarding the still-low value (5%) of fish catch accruing to the Pacific states. Although one assumes that there is common interest in the sustainable management of ocean resources, fisheries is an areas which could remain challenging for relations between the PSIDS and the distant water fishing nations.

There is also a need to bear in mind that major *health issues including NCDs* are not unrelated to the importation of low cost but poor nutrition foods; and that *agricultural and fish production* could add value to the economy and people wellbeing through *food security*. It is also noticeable that the trade deficit (and *national debts*) of many of the PSIDS is rising and that fuel and food items dominate the import bill. Kiribati's commitment to green growth and its move to incentivize the importation of low-waste and biodegradable products is the co-benefits of integrated approach. A final observation here is that the fuel subsidy is a common denominator in many of these issues, be it is overcapacity in tuna fishery or heavy import bills; or climate change and ocean acidification with their own toll on fishery and the national economy.

**Technology transfer** is an area that may fit better in the south-south cooperation or in triangular cooperation whereby the developed countries provide the *investment or development finance* and the developing countries provide *proven and appropriate technology*. Renewable energy *technology brings problems of its own*. Countries using solar panel technology are concerned at how to store or dispose of *toxic batteries*, which is hard to manage with *limited physical space and human capacity* on island. As clean and green technologies become more attractive to *investors*, the island governments are going to find it challenging to sift through "the good, the bad and the ugly", as one leader jokingly shared a common sense of *frustration amongst the leaders* present at the Tonga Leaders Energy Summit earlier in the year.

It will be useful as well for the PSIDS to be certain of the type of **capacity** needed and the form it should take. The emphasis in the NARs on climate change and other *relational issues* of inclusiveness, "absent leadership", critical thinking and educational quality makes us wonder if capacity building has been focused too on technical tasks when the challenges are *transformational and adaptive in nature*. That is not to deny the need for technical capacity to deal with the many tasks that a nation is required to carry out regardless of its small size or limited resource endowment. Another peculiar need for small economies that is yet to be recognized regionally or globally is *capacity supplementation* due to natural limits and/or depopulation. Capacity including through technology transfer to participate in visioning and measuring and monitoring of inclusive and sustainable development will be crucial as well.

The need for **regional integration** is clear enough for small island communities *lacking in market size and political clout*. The realities though are the *long distances and thin routes* (high cost) and the absence of complementarities which makes it difficult to overcome the inclination to think and act nationally. The desire remains for regional cooperation and integration, and some of the NARs

identified several ways in which countries have benefitted from regionalism. There are some obvious successes in regionalism including the University of the South Pacific and the fisheries bodies of Forum Fisheries Agency and Secretariat of the Pacific Community. At the *sub-group levels* the examples of Parties to the Nauru Agreement in empowering its membership vis-à-vis the distant fishing water nations; and of Melanesian Spearhead Group in the area of trade (including labor mobility) are worthy of note. A number of NARs support the idea of strengthening sub-regional or sub-grouping approaches in the Pacific.

On the other hand, the *overall lack of implementation* of regional agreements and decisions suggests that something is “not quite right” (Pacific Plan Review Team). In terms of what needs improving - and one country did identify regional cooperation as an area where the Pacific was lagging behind (Fiji NAR) - one of the countries involved in the review of the Pacific Plan says that it’s a framework that needs to be more clearly defined and identified with member states. Transport, an area of most need in regional integration, was identified as one where regional cooperation has not always worked. Another country says there are not clear linkages between regional and national development frameworks.

Not unlike the story emerging out of the NARs, the focus of the managers of the Pacific Plan has shifted too much and too quickly from the governance enablers to the goals and projects. In the absence of strong leadership, this has led to a growing list of what-to-do (shopping list) with little attention to strategies other than the pursuit of more regional funding...becoming in effect the regional “middle man” of development assistance that countries don’t appreciate (CKI NAR). If this continues without the members perceiving any added value of channeling resources through regional and multilateral mechanisms, the national interest and bilateral arrangements will continue to keep regionalism and multilateralism at bay.

The member states themselves will need to be more discerning or forthright in *deciding on what they bring to the regional or global meetings* where decisions are sometimes taken based on narrow sector or industry interests. The somewhat fragmented and uncoordinated approach that is noted in some of the NARs is replicated at regional and global levels when countries participate without the benefit of a whole-of-development view or position and countries do not appreciate the regional or global commons at stake.

With regards to **south-south and triangular cooperation**, this has become a prominent feature of some recent regional initiatives including amongst and between SIDS. The Pacific Plan Peer Review where peers from Pacific island countries review each other’s efforts and share experiences and capacity has findings very similar to what the NARs say; and is a good example of how the PSIDS can help one another at regional and bilateral levels. So is the emergence of some Pacific islands volunteer schemes and bilateral exchanges of goods, services (including people) and investments. Fiji as the chair of the G77 Plus China Group has also sought to strengthen the links between the PSIDS and the rest of the South. Mention has been made above of areas where there is obvious complementarity (technology transfer and sustainable management of the oceans) as well as areas where there are some concerns (unsustainable use and unfair returns on fish and the use of carbon energy and climate change action).

As the region looks to the Conference in Samoa in 2014, the theme of **partnerships** looms large because partnerships at all levels are a *natural ally for Pacific SIDS* which generally have small and vulnerable economies and which will likely struggle on their own. Partnerships are also an effective way of putting into practice governance and leadership principles, as the essential principles of effective and durable partnerships are: *mutual respect and shared responsibilities*. Partnerships based upon mutual trust and shared responsibilities which are focused on national priorities, are critical. National, regional and international partnerships must also have *national ownership as well as commitment*. As Nauru noted in their NAR, “meaningful partnerships with international and regional organizations and technical organizations provide an opportunity for capacity building. However, these partnerships must be integrated with national priorities.” Partnerships must become “smarter” (be ambitious and innovative but at the same time realistic with time-bound well defined targets). The

partnerships arrangements with traditional donor partners will continue to be important, while at the same time countries are looking for new partnerships (that go beyond fund transfer), including with global emerging economies; the private sector and civil society community group; with other countries in the Pacific; and at the SIDS-SIDS inter--regional level. Samoa sees strengthened partnerships between SIDS and the international community as a main deliverable of the 2014 SIDS Conference as this would be an important way and means to address new and emerging challenges and opportunities for the sustainable development of SIDS.

In terms of the BPOA and MSI, there have been criticisms leveled at the *multilateral system including the United Nations* for not adequately supporting the SIDS in implementation and in the reporting of their contributions. This was noted at the MSI+5 meeting held in Port Vila in 2010 and it did contribute to the call of the UNGA for more effort by the UN. The Pacific UN Development Assistance Framework for the next cycle does recognize the need to help build resilience in the Pacific SIDS and to implement the outcomes of this SIDS Conference and the post-2015 development agenda process. The UNESCAP and others of the UN System will continue to support the PSIDS through the BPOA/MSI process and the development of the Post-2015 Development Agenda.

Support for PSIDS will also continue in the future under the **High Level Political Forum** on Sustainable Development which is being established under ECOSOC to replace the Commission for Sustainable Development. There is a *need to consider how the specific needs of SIDS can figure prominently* in this new global framework together with the need for partnerships at all levels as a key means of implementation. It should be noted "that the High Level Political Forum, consistent with its intergovernmental universal character, shall provide political leadership, guidance and recommendations for sustainable development, follow-up and review progress in the implementation of sustainable development commitments, enhance the integration of the three dimensions of sustainable development in a holistic and cross-sector manner at all levels, and have a focused, dynamic and action-oriented agenda, ensuring the appropriate consideration of new and emerging sustainable development challenges". What the PSIDS make of this framework will determine to a large extent the support that they may receive for the priorities that they have articulated through their NARs.

Finally, as the PSIDS gather for their Meeting in Nadi here are some lessons which we could gather from the recently concluded Caribbean Regional Preparatory Meeting (2-4 July): (a) take advantage of having fourteen national assessments plus other pre-meeting national communications and inputs which outline and/or clarify *national priorities*; (b) avoid the shopping list approach by focusing on those national priorities or issues that are most *strategic/transformational* and *regional/common* to member states; (c) have enough time to brainstorm among members in some *frank and open discussions* before starting negotiations on the outcomes document; and (d) make use of a *common discussion document* that is based on nationally prepared assessments/reports and communications.