



# PACIFIC PLAN 2010 ANNUAL PROGRESS REPORT

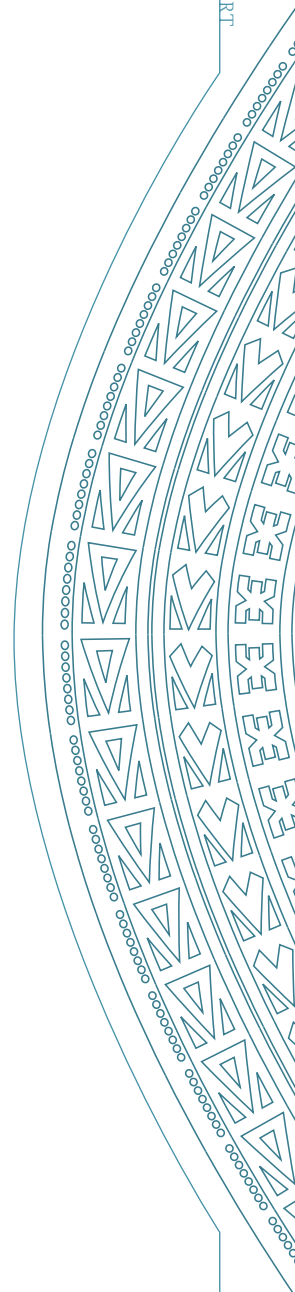






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# Secretary General's Introduction

It is five years since Leaders endorsed the Pacific Plan for strengthening regional cooperation and integration at their meeting in Madang, Papua New Guinea in October 2005. The Pacific Plan embodies the Leaders' vision for the Pacific to be a region that is *"respected for the quality of its governance, the sustainable management of its resources, the full observance of democratic values, and for its defence and promotion of human rights"*.

Much has been achieved over those five years. For example, there has been a real strengthening and alignment of the work of the various agencies of the Council of Regional Organisations in the Pacific (CROP) around the objectives of the Pacific Plan; a continued focus on tackling the impacts of climate change, the great challenge of our time; increased cooperation by Members around the management of tuna fisheries; and a renewed commitment to achieve the Millennium Development Goals.

But much remains to be done. The Pacific Plan is a work in progress. Greater effort is required to ensure that work undertaken by Members and CROP agencies in support of the Pacific Plan continues to make a real difference to the lives of the peoples of the Pacific. The partnerships implementing the Pacific Plan need to be strengthened and renewed. The success stories under the Pacific Plan need to be shared, so that the Pacific region can understand and be proud of what has been achieved.

This Pacific Plan Annual Progress Report for 2010 was considered and endorsed by Leaders' at their recent meeting in Vanuatu in August 2010. It highlights the achievements and challenges facing Members and CROP agencies in delivering on the Leaders' vision. This year, in addition to the Annual Progress Report, an annex has been produced which details the work of selected Forum Island Countries and CROP agencies against the five themes and related priorities endorsed by Leaders in Cairns in 2009 to guide implementation of the Pacific Plan. The annex demonstrates the depth and breadth of work that was undertaken in 2009 and early 2010 and the priorities for 2011.

Next year will be the 40th anniversary of the Pacific Islands Forum. In celebrating this important milestone, it will be an opportunity to reflect on our significant achievements over that time, and a reminder that challenges we face get ever more complex. Remaining focused on the priorities through the Pacific Plan will help to shape our response to events in the next decade and beyond.

On behalf of the Secretariat, I would like to thank Members and CROP agencies for their genuine commitment to working together to achieve the objectives of the Pacific Plan. It remains a key driver of our strategic direction and demonstrates the importance of collective action to address regional and global challenges.

**Tuiloma Neroni Slade**  
Secretary General



## Foreword

This report provides an update on implementation of the Pacific Plan over the period May 2009 to May 2010. It is based on the invaluable inputs of Member States and Council of Regional Organisations in the Pacific (CROP) Agencies and reflects a genuine commitment by all parties to work collectively to address issues of regional significance.

Detailed reporting on Pacific Plan priorities is available in the companion annex to this Annual Progress Report.

# Progress of the Pacific Plan

It is now five years since the Leaders endorsed the Pacific Plan at the Thirty-Sixth Forum held in Madang. Significant steps have been taken to strengthen regional cooperation under the Pacific Plan, including a heightened focus on targeted priorities. Major achievements include in the fisheries sector, with eight Pacific Island Countries signing an instrument under the Nauru Agreement providing for more stringent conservation and management measures as part of the terms and conditions for tuna purse seine fishing licences in the region; the establishment of a sub-regional shipping feeder service for the central Pacific smaller islands states; efforts to work collectively to address climate change and food security; and renewed work around development effectiveness through the Cairns Compact. The Pacific Plan has also supported the implementation of the Regional Institutional Framework, which has substantially reformed the way that CROP agencies are structured with the aim of strengthening their capacity to deliver quality services to members.

While there have been gains, the expectation for regional cooperation and integration envisaged in 2005 have yet to be fully realised. The negotiations on trade integration continue to move slowly. Realising on-the-ground results and benefits from bulk procurement of petroleum will take time in what is a complex and sensitive sector. The process of the Pacific Plan demonstrates that cooperation and integration is difficult, takes time, and requires on-going leadership and commitment from Leaders and organisations around the Pacific.

This report is built around the **five themes and priorities for the Pacific Plan set for the years 2010 to 2012** which were endorsed by Leaders at the Fortieth Forum held in Cairns in August 2009. The five themes are:

- (i) fostering economic development and promoting opportunities for broad-based growth;
- (ii) improving livelihoods and the well-being of Pacific peoples;
- (iii) addressing the impacts of climate change;
- (iv) achieving stronger national development through better governance; and
- (v) ensuring improved social, political and legal conditions for stability, safety and security.

This report attempts to summarise key achievements over the past 12 months against each of these themes and the related priorities based on the reports received by six member countries and eight regional organisations.

The report also covers **emerging issues for consideration** by Pacific Plan Action Committee (PPAC), including possible additional priorities identified by the CROP Executive at their meeting in Apia in June 2010 that could be considered by PPAC for recommendation to Leaders.

# Key Achievements over 2009-2010

## *i. Fostering economic development and promoting opportunities for broad-based growth*

The critical importance and difficulty of economic development and broad-based growth was demonstrated by the wide-spread impact of the **global economic crisis**. As a key priority identified by Leaders, the 2009 Forum Economic Ministers meeting considered the impact of the global economic crisis on Pacific Island Countries. The Ministers' noted that besides lower economic growth, a further impact is likely to be lower income - for both households and national governments. This could limit governments' ability to provide basic services, create jobs, and support vital infrastructure. In response, Ministers' agreed that national responses should prioritise promoting and safeguarding macroeconomic stability; strengthening public financial management to protect core services and the most vulnerable; improving competitiveness through the implementation of economic and financial reform; and working in a coordinated way with development partners to give the region its best opportunity to weather future shocks and provide a platform for sustainable growth.

On the **trade** side, support continued to Member States to facilitate their domestic readiness to trade under the Pacific Island Countries Trade Agreement (PICTA). Leaders recognised the impact of the current global economic crisis on the Forum Island Countries, and emphasised the need for a cautious approach to trade liberalisation initiatives that will have a negative impact on the government revenue base. Forum Trade Ministers met in October 2009 and agreed that during the preliminary stage of negotiations on the Pacific Agreement on Closer Economic Relations (PACER) Plus, within the next 12 months members would focus on undertaking meetings at officials level to deepen understanding on common priority issues. The process to establish the Office of Chief Trade Adviser (OCTA) commenced, with the aim to provide Member States with greater access to advice on PACER Plus.

**Infrastructure** was also addressed through the Regional Maritime Programme focusing on the integration of port development in the Pacific. Improved port services offer major opportunities for efficiency and growth. The Pacific Aviation Safety Office continued to deliver services, including air traffic control and safety management systems.

A critical component to maintaining growth in many Pacific Islands Countries is **fisheries**. The Pacific accounts for about 50 percent of global tuna catch with a value of over US\$2 billion per annum. Over the past 12 months, the Pacific Islands Forum Fisheries Agency (FFA) and the Secretariat of the Pacific Community (SPC) have strengthened their strategic and working relationship to ensure effective fisheries sector assistance to countries. A major achievement was the adoption of the Regional Monitoring Control and Surveillance (MCS) Strategy by Forum Fisheries Committee<sup>74</sup> in May 2010, providing the basis for regional and national actions to allow FFA

members greater control over fishing activities in their waters. The observer program continued to be successfully implemented, with around 250 observers trained. During the Fish Aggregating Device (FAD) closure period in 2009, there was 100 percent observer coverage for all purse-seine vessels licensed under regional and sub-regional arrangements. Development of negotiating strategies for the Western and Central Pacific Fisheries Commission (WCPFC) was on-going, and FFA members commenced negotiations with the Government of the United States on the future of the Treaty on Fisheries. Major work continued on implementation of an eco-system approach to fisheries management, and further critical research was conducted on sustainable yields and fisheries impact for bigeye, yellowfin, and albacore tuna in the South Pacific Ocean. Major constraints in this sector include the availability of funding and capacity of members to fully implement the legislative frameworks for sustainable fishing.

There were major developments in the **energy sector** over the last 12 months. Regional agencies substantially reformed their working arrangements by establishing three key groups to foster greater collaboration and partnership with key stakeholders in the energy sector. These were the *Pacific Energy Oversight Group (PEOG)*, comprising Pacific Islands Forum Secretariat (PIFS), Pacific Islands Applied Geoscience Commission (SOPAC), Secretariat of the Pacific Community (SPC), Pacific Power Association (PPA), Secretariat of the Pacific Regional Environment Programme (SPREP), University of the South Pacific (USP), and International Union for Conservation of Nature (IUCN); the *Pacific Energy Advisory Group (PEAG)*, including national energy experts drawn from the Melanesia, Micronesian and Polynesian sub-regions; representatives from the private sector, non-state actors, international non-governmental organisations, CROP agencies, and development partners; and the *Energy Alliance* – a virtual body comprising all interested stakeholders in the energy sector in the region, including the members of PEAG. The Energy Alliance will support information exchange, discussions on matters relating to energy, and initiating discussions on financial investment in the energy sector.

At the strategy level, a review was undertaken of the 2004 Pacific Islands Energy Policy and Plan. The review highlighted a number of challenges, including moving away from project assistance to more whole-of-sector strategies, and the need for better coordination given that some US\$300 million funding will be available for Pacific energy sector in the next 3-5 years from development partners. In taking the review forward and following extensive consultations, a draft *Framework of Action for Energy Security in the Pacific* was developed. The aim of the Framework is to support the efforts of Pacific Island Countries and work towards ensuring that all their people, at all times, have access to sufficient sources of clean and affordable energy and services to enhance their social and economic well-being. The Framework was presented for discussions at the Pacific Regional Consultative Meeting on Energy held in Noumea in May 2010. The consultative meeting brought together representatives from government planning, finance and energy departments, the private sector, non-government organisations,

regional and international agencies and development partners. This was the first time that such a mix of stakeholders working in the energy sector came together to jointly provide inputs that will help shape the future direction of the energy sector in the region. The Framework was further presented for the consideration of Ministers at a special Pacific Islands Forum Energy Ministers meeting in Brisbane in June 2010, with a recommendation that it be considered and endorsed by Forum Leaders' at their 2010 Meeting in Port Vila. A final version will be tabled at the full Pacific Ministerial Energy Ministers meeting planned for April in 2011.

Implementation continued of the Pacific Petroleum Project (formerly Bulk Procurement of Fuel initiative), with consultants Hale & Twomey engaged to assess the sector and develop approaches. Phase 1 commenced with the first three milestones delivered by June 2010. Setting the ground work will ensure that the project can better address the needs of Member States and deliver on reducing the cost of petroleum. An update of the work undertaken by Hale & Twomey was provided to Ministers' and Officials' during the special Forum Energy Ministers' and Officials Meeting in June 2010. In addition, a special meeting of the Signatory States was organised by the PIFS in conjunction with SPC. Responsibility for management of the Pacific Petroleum Project will move from PIFS to SPC. Other work in this sector included an energy efficiency study of Northern Pacific power utilities undertaken in conjunction with the PPA. The study highlighted the high cost to utilities of old and outdated equipment, and the resulting efficiencies that could be achieved by up-grading.

At the national level, an example 'whole-of-sector' approach was the development of the Tonga Energy Road Map in 2009. The Map aligns government and development partner efforts in the energy sector with the key aims of providing 50 percent of electricity through renewable sources by 2012 and reducing the overall cost of electricity by 50 percent.

**Tourism** is a major driver for economic development in the Pacific region. Over the past twelve months, significant effort has gone into promoting the region, in particular at the World Shanghai Expo. Emerging markets were targeted, including India, with marketing initiatives being developed for Hong Kong, Korea, Germany, Canada and Russia. A strategy to increase the number of cruise liners in the region was also developed, recognising the significant economic benefits that they offer while needing to manage the environmental impact.

In the **transport** sector, work continued on strengthening the regulatory environment and compliance. The importance of this work was demonstrated by the tragic sinking of the passenger ferry Princess Ashika on 6 August 2009 in Tonga. A total of eighteen audits covering port facilities, maritime administrations, training institutes, an open registry and a ship were conducted over the twelve months in Cook Islands, Fiji, Republic of the Marshall Islands, Palau, Papua New Guinea, Solomon Islands, Tonga, Tuvalu and Vanuatu. Given the number of ships operating in the Pacific region, the



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outcome highlights the need for additional resources to support greater coverage of shipping. Sub-regional shipping feeder services to Kiribati, Tuvalu, and Nauru continued to be delivered utilising existing capacity of the Kiribati Shipping Services Limited, improving trade flows.

Work to support **Information and Communication Technology (ICT)** continued under the Pacific Plan, with endorsement in June 2010 in Tonga by relevant Forum Ministers' of the *Framework for Action on ICT for Development in the Pacific*. The Framework will guide efforts of key partners at a whole-of-sector level. Support was also provided at the community level through one hundred and thirty Pacific Rural Internet Connectivity System (PACRICS) sites, providing internet access to largely rural and remote communities in Cook Islands, Kiribati, Republic of Marshall Islands, New Caledonia, Niue, Papua New Guinea, Solomon Islands, Tonga, Tokelau, Vanuatu, and Wallis and Futuna. Connectivity was increased through the University of the South Pacific, with the construction and opening of the Japan-Pacific Information Communication Technologies (ICT) Centre. The Centre aims to close the gap of the 'Digital Divide' and promote the use of ICT in the Pacific region.

#### *ii. Improving livelihoods and the well-being of Pacific peoples*

A major priority for Leaders in 2009 was addressing the issue of **food security**. In support of global efforts, a Food Summit was convened by the Government of Vanuatu in collaboration with the World Health Organisation, and attended by one hundred and seventy delegates representing governments in the Pacific region, regional organisations, United Nations (UN) agencies, civil society and the food industry. Importantly, the Summit endorsed for submission to Leaders a *Framework for Action on Food Security in the Pacific 2011 – 2015*, which offers a multi sectoral approach to tackling food security. It also aims to ensure that the region will be self-sufficient in food supply and availability, and support healthy eating habits. Other work in support of this priority included strengthened networks and cooperation to share information on policies related to food security, agriculture and forestry, and providing traditional crops and varieties to local food production systems.

**Health** remains a major priority under the Pacific Plan. Work over the last twelve months focused on targeted support to Pacific Island Countries to address non communicable diseases, including funding for National Non-Communicable Disease Coordinators in nine countries and community grants. Around US\$2 million has been disbursed by the SPC under the HIV response fund to tackle HIV/AIDS and sexually transmitted diseases. Health issues, such as HIV/AIDS, impact on sustainable development and is a cross-cutting theme under the *Pacific Education Development Framework*. The region is tackling such issues not only as a response strategy, but more importantly through preventive measures, such as education.

Major reforms continued in the **education** sector. The March 2009 meeting of Pacific Forum Education Ministers endorsed the new *Pacific Education Development Framework*,



which replaced the Forum Basic Education Action Plan (FBEAP). Reflecting the Framework, Ministers' reinforced the importance of the Pacific's commitment to global efforts in relation to education. The meeting also outlined the need for national and regional responses to the specific needs and challenges for education in the Pacific region. Ministers' highlighted the importance of basic literacy and numeracy as the building blocks for long-term development. The South Pacific Board of Educational Assessment (SPBEA) transferred its functions to the SPC. The SPBEA continued to support examination of senior secondary schools students, with around 7,900 students enrolled and sitting for Board qualification in November 2009. Baseline information for the Pacific Qualifications Register was collected through country visits to Solomon Islands, Cook Islands, Nauru, Vanuatu, Tonga, Samoa, and Kiribati, an important step in recognising qualifications across the region. The Pacific Regional Initiatives for the Delivery of Basic Education (PRIDE) project was extended, and will continue to be implemented through the University of the South Pacific and partners until December 2010.

In the area of **gender-based violence**, Solomon Islands and Kiribati undertook Family Health and Safety Surveys. The reports highlighted a range of strategies at the national level to address this issue, including strengthened legal frameworks and public advocacy.

Work continued over the past twelve months to support access and greater and more equitable opportunities for people living with **disabilities**. The first Forum Disability Ministers Meeting was held in 2009, and endorsed the Pacific Regional Strategy on Disability. This strategy has been developed under the Biwako Millennium Framework (BMF) covering the period 2010 – 2015, going beyond the second decade of the BMF. The next steps will be to develop an action plan and track implementation of the strategy.

### *iii. Addressing the impacts of climate change*

As highlighted by Forum Leaders over a number of years, **climate change** remains the greatest threat to the livelihood and well-being of the peoples of the Pacific. At the global level, the United Nations Climate Change Conference was held in Copenhagen, Denmark in December 2009. Eight Pacific heads of state attended the Copenhagen Summit, together with ministers and experts from all Pacific Island Countries, to send a clear message on the importance of tackling climate change for the region. The Pacific delegations delivered a strong message on the current and predicted impacts of climate change on their peoples, including sea level rise, salt water intrusion in their drinking water and root crops, more extreme and frequent weather events, and coral bleaching. The delegations emphasised the need for immediate global action on mitigation and massively scaled up financing for adaptation. While the Copenhagen Summit did not reach legally binding agreements on reducing carbon-dioxide emissions, the Pacific region will continue to support international efforts to find a long-term solution.

Further negotiations will continue at the 16th session of the Conference of the Parties (COP 16) to the United Nations Framework Convention on Climate Change to be held in Mexico in late 2010.

Work was also undertaken in 2009 to strengthen regional approaches to addressing climate change. A mid-term review was conducted on the Pacific Islands Framework for Action on Climate Change (PIFACC). This review also covered the Action Plan for implementation of the Framework. The purpose of the review was to strengthen the relevance of the Framework and Action Plan and to identify gaps, including ecosystem-based approaches, adaptation technology, links with mitigation, disaster risk management and community-based approaches. Key findings and recommendations were considered at the PPAC meeting in July 2010, including that the Framework provided an important strategy for shaping regional and national actions and monitoring their impact, but that the linkages to other processes and greater focus on strategic actions was required. The review also recommended strengthening the organisation arrangements around the Framework, including strengthening the role of the Pacific Climate Change Roundtable.

The Pacific Climate Change Roundtable met in Majuro in October 2009. The role of the Roundtable is to monitor and facilitate implementation of the PIFACC, as well as providing a mechanism for climate change development partners, members and other stakeholders to share experiences and expertise, improve their coordination, strengthen partnerships and networking, and jointly plan new activities or initiatives. In recognition of the increasing number of development partners and amounts of funding allocated to climate change adaptation and mitigation, the Pacific Climate Change Roundtable commissioned a study to assist Pacific Island Countries to more effectively access these resources. The study, which is underway and expected to be available shortly, will assess the feasibility of establishing a Pacific Regional Climate Change Fund or Facility with the objective of harmonising funding, aligning approaches and reducing the administrative burden. The study and its outcomes represent an opportunity to carefully consider how funding for climate change in the Pacific can be used effectively and strategically to support Member States and their communities. It will also assess the need for a technical backstopping mechanism for Pacific Island Countries developing project proposals for accessing resources and facing the associated administrative and management responsibilities.

In support of increased public and global awareness, 2009 was declared the Pacific Year of Climate Change. In addition to the development of a strategy, a range of local and national events were supported, including a film festival highlighting the impact of climate change on communities and awards given to journalists for reporting on the issue.

A number of projects continued to be delivered to address the impact of climate change. The Pacific Adaptation to Climate Change (PACC) Project commenced implementation with funding from the Global Environment Fund. An inception workshop was held

in Samoa in late-June and early-July 2009 and National Coordinators were recruited. The PACC project will cover thirteen Pacific islands countries and help develop three key areas that will build resilience to climate change in Pacific countries, namely, food production and food security, coastal management and water resource management. The Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project (PIGGAREP) continued to assist Pacific Island Countries with the removal of barriers to the widespread use of feasible renewable energy technologies. Support over the last year included purchasing and installing a wind power monitoring station at Atiu, Cook Islands and at Anabar in Nauru; purchasing monitoring equipment and funding a technical expert to assist with the wind power and hydro power resources assessments of Samoa's Electric Power Corporation; and supporting Tuvalu's wind power development by analysing two years of wind data and shifting the Funafuti wind power monitoring station to Niulakita Island.

In accordance with Leader's directions in 2008 and in response to concerns with the loss of experience and highly qualified staff from the Fiji Meteorological Services, a review was undertaken of regional meteorological services from November 2009 to April 2010. The review highlighted ten key recommendations, including the need for increased regional coordination, increased Pacific Island Government support and greater certainty of development partner assistance to national meteorological services, and support for the Fiji Meteorological Services.

#### *iv. Achieving stronger national development through better governance*

At the Forum held in Cairns in August 2009, Leaders adopted the **Cairns Compact** on Strengthening Development Coordination in the Pacific. The compact reflected a renewed determination by Leaders to lift the economic and development performance of the region and to drive more effective coordination of available development resources, centred on the aim of achieving real progress against the Millennium Development Goals. There has been significant progress on implementing the Cairns Compact over the past year. Peer reviews were conducted to review the process for setting and reviewing development priorities and planning in Nauru and Kiribati. Forum Island Countries started the process of reporting on their national plans. Development partners reported on their efforts to reduce aid fragmentation, ease the burden of aid administration and improve aid effectiveness. This work will form the basis of the Tracking Development Effectiveness in the Pacific report. A Millennium Development Goal Tracking Report has been developed and will be presented to the Leaders, together with the Road Map on Strengthening Public Finance Management.

In support of collection and compilation of **statistics for better informed national policy**, the Pacific Regional Information System (PRISM) developed and maintained by the SPC continued to provide quality data, including on country reporting against the Millennium Development Goals. Information from PRISM was used for a range of priority activities, including mapping of malaria incidence and prevention initiatives



in Solomon Islands, determining the spread and impact of the H1N1 virus at national and regional levels, and assisting Tonga to redraw its electoral boundaries for elections scheduled for November 2010. Statistical support, both in terms of technical assistance as well as in training, was also provided by SPC to a number of Pacific Island Countries to assist with major national statistical collections: Solomon Islands and Vanuatu with their 2009 census of population and housing, and FSM and Kiribati with their 2010 census; Tonga and Tuvalu with their Household Income and Expenditure Surveys and Demographic and Health Surveys. SPC also assisted most Pacific Island Countries and Territories National Statistics Offices with publishing yearly population and demographic indicators for national policy, planning and statistical offices, and assisted Nauru and Niue in compiling their National Accounts estimates (GDP). In line with Pacific Plan recommendations to develop a core set of indicators across key sectors, SPC has developed a National Minimum Development Indicator dataset which was reviewed at the triennial conference of Heads of Planning and Heads of Statistics in July 2010. This meeting will also review a proposed ten year strategy for the development of statistics across the region, a follow-up to the regional statistical benchmarking study commissioned by FEMM in 2007.

There were on-going efforts over the last twelve months to **improve access to official information**. A series of awareness workshops were held in the Region promoting the value of freedom of information in strengthening governance in Forum Island Countries. Workshops and consultations were held in Solomon Islands, Nauru and Palau. This work was supported by PIFS, United Nations Development Programme (UNDP) Pacific Centre and UNESCO, who continue to work with government and non-government organisations to promote the importance of access to information for participatory development and good governance. In May 2010, UNESCO's annual Media Freedom Day Global Conference which was held in Australia for the first time, focused specifically on the value of access to information. A key outcome was the adoption of the Brisbane Declaration, which stresses the importance of Pacific governments promoting simple, cheap and regular access to government information through the development of information policies and laws.

Solid and tangible progress was made over the year to **strengthen accountability and integrity of institutions**, including under the Pacific Regional Audit Initiative (PRAI). The Pacific Association of Supreme Audit Institutions Secretariat (PASAI) has now been established and is operating out of Auckland, New Zealand. Other key technical experts have been recruited to support public auditing programmes in the Region, currently focusing on delivering assistance to the smaller island states. A PRAI initiative, the Sub-Regional Audit Support (SAS) programme, the first of its kind in the region, aimed at strengthening the capacity of public auditing has delivered encouraging results in enhancing public auditing standards in three smaller island states – Tuvalu, Kiribati and Nauru. The first year of the SAS Programme provided both

training and fieldwork experience for civil servants and key state owned enterprise employees in these countries.

The Pacific Ombudsman Alliance was established and operational with secretarial support being provided by the Commonwealth Ombudsman of Australia. A new Board was elected on 18 March 2010 to oversee its governance and guide its activities. The Pacific Ombudsman Alliance is actively delivering services and providing support for ombudsman and allied institutions in the Region. It undertook a year-long trial of the Complaint Handling Ombudsman-Backed (CHOB) project in Niue in February 2010 with the support of the New Zealand Ombudsman. The aim of CHOB was to put into place a complaint handling system without a formal ombudsman. Its initial focus was to take complaints from the public about core government services.

Work on **addressing corruption** focused primarily on promoting the UN Convention against Corruption (UNCAC) and the consequent reporting obligations. Workshops convened by the UN to encourage Pacific States to sign this UN Convention were held in Papua New Guinea and Palau, including a United Nations Office of Drugs and Crime cross-regional conference on promoting the ratification and reporting of this UN Convention for the Pacific and Caribbean states in Toronto, Canada. These series of regional and national workshops were undertaken in response to the adoption of UNCAC by the United Nations General Assembly and the Forum Leaders' decision of 2004 which urged Forum Island Countries to ratify UNCAC. So far three Forum Island Countries (PNG, Fiji and Palau) have ratified UNCAC. Ten Pacific states have yet to recognise this international anti-corruption Convention.

*v. Ensuring improved social, political and legal conditions for stability, safety and security*

Work under the Pacific Plan to support **regional stability, safety, and security** continued over the past twelve months. The 2010 Forum Regional Security Committee (FRSC) received the annual Joint Pacific Transnational Crime Assessment Report by Law Enforcement Agencies. A Working Group on Counter Terrorism was convened by the New Zealand Government in cooperation with the Forum Secretariat and the UN Office of Drugs and Crime in early June 2010. Discussions were held with representatives from civil society as part of the Pacific Islands Forum Secretariat-Civil Society Organisations Dialogue Workshops in November 2009 and April 2010. This enabled the FRSC to consider the views of civil society on conflict, peace and security issues. A Human Rights Adviser was appointed in March 2010 to oversee and coordinate the implementation of the human rights objectives of the Pacific Plan, in cooperation with relevant CROP and partner agencies.



## Emerging Issues for Consideration

### *Cairns Compact*

At the Fortieth Forum meeting, Leaders adopted the Cairns Compact on Strengthening Development Coordination in the Pacific. One issue that has arisen from the Leaders decision was clarifying the relationship between the Cairns Compact and the Pacific Plan. There are elements of the Cairns Compact already embedded in the Pacific Plan, particularly in relation to priority (i) under the theme achieving stronger national development through better governance. This priority states “*demonstrating strong national leadership and enhanced regional attention to accelerate improvements to development coordination in the region, to maximise the effectiveness and impact of the resources of Pacific island governments and development partners to make faster progress towards the Millennium Development Goals*”. This priority confirms that the Cairns Compact is an integral part of the Pacific Plan. The Pacific Plan clearly reflects the Leaders’ agreed priorities for the Pacific region (the ‘what’), while the Cairns Compact is a statement of how these priorities should be implemented (the ‘how’). There is an urgent need to streamline and better align the reporting requirements to reduce the burden on Member States. In taking this work forward, it should be noted that development partners have not typically reported against the Pacific Plan, while they report under the Cairns Compact.

### *CROP Executive – Emerging Priorities for the Pacific Plan*

At the CROP Executive meeting in Samoa in June 2010, a number of emerging priorities were considered that could be included in the Pacific Plan. The Executive suggested the following issues could be considered for inclusion in the report to Leaders on the Pacific Plan:

- a. The necessity to finalise the delineation of permanent maritime boundaries. This remains a major impediment to Pacific Island Countries realising opportunities for economic development in maritime areas.

- b. Sustainably increase the coverage of safe drinking water and basic sanitation services. The 2008 World Health Organisation/SOPAC joint report *Converting Commitment into Action, sanitation, hygiene and drinking water in Pacific Island Countries* estimated that in the remaining period until 2015 an effort five times higher than that over 1990-2006 is required to achieve these Millennium Development Goal targets. This priority would relate directly to the Millennium Development Goal 7 on safe drinking water and sanitation.
- c. Provide some focus on education efforts on increasing literacy and numeracy rates in selected Pacific Island countries as identified by the Forum Education Ministers meeting in 2009 and relating to Millennium Development Goal 2.
- d. Expand the definition of disaster risk management beyond that posed by climate change to be people focused, covering responses to health disasters as well as factoring in population growth and movement. Pacific Island Countries remain vulnerable to a range of disasters, from cyclones to tsunamis. The issue is highlighted by the tsunami in Samoa and the sinking of the Tonga ferry.
- e. The lack of technical and managerial capacity in the power utilities area is a serious concern. Sustainable economic development for all Pacific Island Countries is dependent on reliable and cost effective sources of energy. The deteriorating state of power utilities in the Pacific is a major cause for concern and one that needs to be addressed.

The suggested adjustments to the priorities endorsed by Leaders at Annex C of the 2009 Forum Communiqué will need to be reviewed and approved by PPAC for onward endorsement by Leaders. Suggested changes to the text of Annex C will form part of the deliberations of the drafting committee during PPAC.

### *Performance Framework for the Pacific Plan*

The CROP Executive meeting in Apia in June 2010 highlighted the importance of developing a performance framework for the Pacific Plan. The meeting noted that the Pacific Plan in 2005 had been developed with a monitoring framework, and asked that further work be undertaken to develop a framework to enable progress against the priorities endorsed by Leaders at the Cairns Forum to be tracked. A simple but appropriate performance framework would also support greater alignment between the Cairns Compact and the Pacific Plan, given that the intent of the Compact was reform of partner and Member State approaches alike. Some form of monitoring and evaluation framework could also provide an approach to align the reporting requirement for Member States, providing a more integrated approach to reporting on performance against the Cairns Compact, Pacific Plan and achievement of the Millennium Development Goals.



# Attachment A

## Recommendations for Progressing the Pacific Plan

(Annex C to the Fortieth Pacific Islands Forum Communique, August 2009)

Noting the new challenges for the region presented by the global economic crisis and ongoing vulnerability to external shocks, PPAC recommends to Forum Leaders that they prioritise the areas presented below to progress the implementation of the Pacific Plan over the next three years by:

- a. *fostering economic development and promoting opportunities for broad-based growth by:*
  - i. developing effective policy and practical responses to the global economic crisis with the objective of building sustained economic resilience, including through: safeguarding macro-economic stability; protecting core services; targeted support for the vulnerable; boosting national competitiveness and strengthened development coordination;
  - ii. continuing to support action in the fisheries sector which would see commitment to implementing the direction offered by the Forum Leaders through the Vava'u Declaration and Forum Fisheries Committee, and in particular: progressing the development and implementation of fisheries management and development regimes including Regional Strategies on Sustainable Fisheries; Western and Central Pacific Fisheries Commission conservation and management measures; Monitoring, Control and Surveillance Strategies; addressing ongoing barriers to international market access; the re-negotiation of the Multilateral Treaty on Fisheries between Pacific Island States and the United States; the fostering of coastal fisheries; and strengthening the sector's governance;
  - iii. building on existing marine protected areas and initiatives;
  - iv. expediting the implementation of the 2009 Pacific Energy Ministers' decisions and, in particular, the five key areas highlighted by these Ministers to achieve greater energy security across the Pacific;
  - v. providing greater support to tourism, the region's largest economic driver, and, in particular: accelerating development of emerging geographic and niche markets; improving access to Pacific destinations by air and sea; and continuing to build the capacity of small and medium service providers to cater to current and emerging international markets and generate employment opportunities;
  - vi. developing regional and national frameworks to enable the development of the economic potential of marine mineral resources; and strengthening regional and national capacity in the mining, environment, labour and financial sectors to comply with relevant standards for the deep-sea mining industry within the region, while supporting environmental monitoring that preserves ecosystems and terrestrial and marine biodiversity;

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- vii. fostering greater international and intra-regional trade opportunities by proceeding with the implementation of key regional trade agreements and, in particular, working to allow for the freer movement of goods and services;
  - viii. strengthening the ability of the private sector to participate competitively in an integrated economy through the necessary enabling environments and support mechanisms
  - ix. addressing issues that hinder the movement of goods and services through expediting fit-for-purpose solutions in the transport sector and, in particular: improving and developing necessary infrastructure; supporting the implementation of the region's 2009 Shipping Ministers' directions; and the ongoing implementation of PIASA in the aviation sector, to ensure greater security, safety, reliability and competition of services across the region;
  - x. implementing the directions provided by the region's Ministers for ICT and, in particular, revising and updating the Regional Digital Strategy
  - xi. continuing the implementation of the economic integration agenda promoted and regularly reviewed by the Forum Economic Ministers and, in particular, establishing components of the Regional Regulatory Stepladder as directed by these Ministers; and
  - xii. increasing support for infrastructure development and maintenance across the region
- b. *Improving livelihoods and the well-being of Pacific peoples by:*
- i. continuing efforts to better ensure food security for people across the region and, in particular, expediting efforts to improve food standards and food quality and support agriculture, aquaculture and fisheries, through initiatives such as the Pacific Food Summit proposed for 2010;
  - ii. Ensuring healthy populations through: the ongoing implementation of the Vanuatu Commitment and the recent Madang Declaration for Action from the 2009 Ministers of Health Meeting including enhanced efforts to better understand health determinants and build the sector's governance and ability to respond pro-actively to current and emerging health needs;
  - iii. improving access to opportunities afforded through stronger education systems at all levels by implementing the directions given by Forum Education Ministers and, in particular, progressing the implementation of the Pacific Education Development Framework to better provide Pacific peoples access to economic opportunities through skills and prospects for mobility;
  - iv. Urging efforts to pursue the opportunities offered by the appropriate utilisation and development of land resources to minimise the risk of

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  - conflict, improve security and assist in economic development, while recognising that land is a national responsibility;
  - v. supporting the implementation of measures, existing commitments and programmes aimed at increasing awareness of and addressing the causes and consequences of sexual and gender-based violence and developing legislation to criminalise gender-based violence in all forms;
  - vi. prioritising national actions to mainstream youth issues into the national development agenda; and
  - vii. acknowledging the importance of ensuring access to greater and more equitable opportunities for those with disabilities, to enhance their quality of life and promote and protect their rights and dignity.
- c. *Addressing the impacts of Climate Change by:*
- i. continuing the implementation of the Niue Declaration on Climate Change;
  - ii. developing Pacific-tailored responses to support adaptation and mitigation measures and better coordination of Disaster Risk Management-Climate Change Adaptation (DRM-CCA), and furthering regional and international efforts and research to support national action in combating climate change;
  - iii. coordinating regional efforts in the completion and early implementation of the outcomes of the December 2009 Copenhagen meetings;
  - iv. enhancing the resilience of ecological systems and associated biodiversity and providing ecosystem services with a focus on the impacts of climate change in line with the Year of Biodiversity in 2010;
  - v. assisting with the assessment called for by the United Nations General Assembly Resolution A/Res/63/281 Climate Change and its Possible Security Implications;
  - vi. strengthening data collection and analysis for improved climatic monitoring and preparedness through integrated whole-system approaches;
  - vii. building scientific capacity across the region through strategic partnerships with bodies such as the Inter-governmental Panel on Climate Change, and an expansion in scientific education and training programmes; and
  - viii. building support, with the assistance of regional and international partners, for the new Coral Triangle Initiative on Coral Reefs, Fisheries and Food security, and capitalising on the offer made by Papua New Guinea and Solomon Islands to share relevant lessons learned.

d. *Achieving stronger national development through better governance by:*

- i. demonstrating strong national leadership and enhanced regional attention to accelerate improvements to development coordination in the region, to maximise the effectiveness and impact of the resources of Pacific island governments and development partners to make faster progress towards the Millennium Development Goals;
- ii. committing to sustainable and appropriate: collection and compilation of statistics; information management; and records-keeping, to ensure the development and implementation of better-informed national policy;
- iii. implementing efforts to allow for improved access to official information;
- iv. supporting efforts to allow an enhanced role for women in national decision making processes;
- v. continuing to strengthen accountability and integrity institutions, through approaches such as the Pacific Ombudsman Alliance and Pacific Regional Audit Initiative;
- vi. encouraging greater involvement of parliamentarians in the development agenda, through the Forum Presiding Officers and Clerks/Pacific Parliamentary Assembly for Population and Development (FPOC-PPAPD) and other leadership groups; and
- vii. addressing corruption through the use and implementation of relevant and existing national, regional and international mechanisms and commitments.

e. *Ensuring improved social, political and legal conditions for stability, safety and security by:*

- i. improving human security outcomes for members, through advancing effective conflict prevention, conflict resolution mechanisms and peace building;
- ii. strengthening cooperation in the law enforcement and border security sectors to address terrorism and transnational crime; and
- iii. promoting and consolidating regional stability through adherence to Forum values and the principles of the Biketawa Declaration.



**PACIFIC ISLANDS FORUM SECRETARIAT**

*Excelling Together for the People of the Pacific*

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