

**PACIFIC ISLANDS FORUM SECRETARIAT**  
**PRIVATE SECTOR DIALOGUE**  
**Rarotonga, Cook Islands, 27 – 28 August 2012**  
**PRIVATE SECTOR STATEMENT TO LEADERS**

**“CLEAN & GREEN INDUSTRIES:  
PROMOTING SUSTAINABLE DEVELOPMENT IN THE PACIFIC”**

Honourable Leaders,

1. The private sector representatives here today thank you for your on-going commitment to building dynamic and sustainable economies throughout the Pacific.
2. At this third Private Sector Dialogue, we have been fortunate to meet with the Leaders on more than one occasion and acknowledge your on-going engagement with the Private Sector.
3. The Private Sector Dialogue met on Monday 27 August and Tuesday 28 August 2012 with the principle theme of “Clean and Green Industries -Promoting Sustainable Businesses in the Pacific.”
4. The Dialogue highlighted on-going importance and responsibility of the private sector in creating an environment of opportunity. The Private Sector takes risks, invests its own capital and uses its creativity and entrepreneurship to create sustainable business. Investment invariably leads to employment, the purchase of goods and services from other businesses, and produces exports our countries need to grow their economies. It also creates demand for better education and improved health services. We need a healthy and educated workforce to ensure our employees are productive and our businesses are regionally and internationally competitive. We need an inclusive private sector that encourages women and young people to become entrepreneurs.
5. In our last Dialogue, we discussed the critical importance of improving access to finance. Today, we agreed that access to finance continues to be one of the greatest challenges to commerce, and one which stops us developing the next generation of entrepreneurs. It is particularly difficult for young entrepreneurs and those with innovative business propositions that may have an element of risk to obtain investment capital, be it through lending or investment.

## Renewable Energy

6. Arising out of the discussion, the delegates noted:

- that the cost-effective energy supply in the Pacific presents a significant challenge to sustainable economic development
- the high cost, the environmental impact, and the reliance on overseas supply of fossil fuels can disadvantage the competitiveness of small Pacific nations
- that currently some renewable energy solutions are expensive, and are not necessarily cheaper than using fossil fuels
- that there is no single solution to the widely varying needs of different Pacific Islands Forum countries
- that investment in renewable energy has the capacity to provide a significant boost for the economy if the implementation and delivery is carried out by the local private sector

Have deliberated and recommend:

- Greater collaboration between Governments and Regional Agencies to provide and share appropriate and up to date information so that informed decisions can be made without the duplication of effort
- Clear policies be developed that promotes public/private energy partnerships, and power purchase agreements, on a contestable and transparent basis.
- The establishment of regular regional workshops to assist private sector, state owned enterprises and state entities to apply for loans and grants from regional partners and financial institutions, and assist them to meet the requirements of these institutions
- That large, developed countries with established expertise in the renewable energy sector, introduce incentives for their private sector to engage with small island states to provide renewable energy solutions on a partnership basis
- Training for local private sector organisations to enable the maximum level of renewable energy implementation within Pacific Islands Forum economies
- Facilitation of Energy 'Roadmaps' or 'Charts' for all Pacific Islands Forum Countries to allow direction to be followed by both the private and public sector, with appropriate technologies for large and small communities
- Engagement with the private sectors, when formulating and communicating renewable energy policy and implementation plans
- The appointment of a Regional Energy Commissioner to support Island States

## **Sustaining our workforce business, leadership and training**

7. Arising out of the discussion, the delegates noted:

- the need for primary, secondary and tertiary education and trade training that meets international standards, and suits the needs of Pacific Island industries
- the commitment from New Zealand and Australia in support of technical and vocational training
- that education in the Pacific Region faces major challenges where the cost of education is very high, making it unaffordable for some areas
- the role USP can play around the Pacific working in collaboration with private sector organisations and the opportunity to expand technical, vocational, educational training.
- the need for higher skilled workers in many of the Pacific island countries
- the continuing migration of Pacific Island workers seeking improved employment and lifestyle overseas

Have deliberated and recommended:

- That national and regional tertiary education providers engage with the private sector for curriculum formulation that best suits the needs of industries with support for more vocational and technical programmes.
- The introduction of entrepreneurial curriculum at all school levels
- Support for the Youth Enterprise Trust initiative and its expansion throughout the Pacific
- That serious consideration be given to the provision of world class broadband for island states to support international standards of education and telecommunications, and to expand opportunities to trade globally.
- Support for the expansion of student exchange programmes that will include sharing of technical and business talents throughout the Pacific.

## **Sustainable Fisheries**

8. Arising out of the discussion, the delegates noted:

- the important role of the Forum Fisheries Agency
- that the Pacific is the major source of the world's tuna fisheries
- the small financial returns to the Pacific given the large tuna resource

- that large fishing fleets require a major investment that is unaffordable by most Pacific Island businesses
- the need for effective and efficient land-based processing and ancillary services in support of the fishing industry
- the importance of marine reserves and sanctuaries

Have deliberated and recommend:

- The need for coherent policies for foreign fishing ventures which will promote local private sector investment in the land-based fishing ancillary industries
- That governments obtain the best possible advice when dealing with fishing quotas, transshipments, and by-catch

### **Sustainable Financing for Pacific Businesses**

9. Arising out of the discussion, the delegates noted:

- and support the Asian Development Bank in the promotion of the “Secure Transaction Framework” and its importance in accessing finance for SME’s and individuals
- the unused facilities available from the European Investment Bank for Pacific Island countries

Have deliberated and recommend:

- That the “Secure Transaction framework” legislation be enacted in all Pacific Island countries
  - The financial support for partnerships of traditional community knowledge, research and development, appropriate expertise and Government support.
10. Honourable Leaders, we greatly appreciate the opportunities provided to us to network with others. The Clean and Green Showcase demonstrated Private Sector initiatives and provided a unique opportunity to meet investors, suppliers and customers from around the world. Our Dialogue has encouraged discussion, information sharing and peer learning, things we value highly.
11. At the Forum Economic Ministers Meeting, in Tarawa, Kiribati, in July 2012, the Honourable Ministers requested a review of the Private Sector Dialogue process. The Review recommended the following for implementation in 2013 to improve the format and operation of the Dialogue:

- That some sessions of the Private Sector Dialogue includes Government officials, regional organisations and development partners
  - That two full days be allocated for discussion
  - That Agenda items are determined at the Pacific Islands Private Sector Organisation Annual General Meeting and forwarded to the Forum Secretariat
  - That we recognise the importance of direct discussion with the Leaders and would welcome a private dialogue or event that provides sufficient time for engagement.
- 12 Honorable Leaders, the future of Pacific Region will require a cooperative effort between Government and Private Sector to provide sustainable renewable energy sources, sustainable and affordable finance for business and a sustainable workforce that is educated, well paid and has a secure future in their home countries.
- 13 The Private Sector actively supports the Leaders aspirations for economic development that is “clean and green” We are your partners in creating a sustainable and prosperous region, and we stand ready to advise you and support you to realise the potential of the Pacific.

We commend this to you for your consideration.