



PACIFIC ISLANDS FORUM SECRETARIAT

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FORUM ECONOMIC OFFICIALS MEETING

FORUM ECONOMIC MINISTERS MEETING

10-12 August 2022
Port Vila, Vanuatu

AGENDA ITEM 3B: BLUE PACIFIC ECONOMIC STRATEGY (BPES)

Purpose and Recommendations

Purpose

This paper outlines the Blue Pacific Economic Strategy (BPES) Concept Note as the key economic pathway to deliver the 2050 Strategy endorsed by Pacific Leaders. CERT agreed for this paper to be presented to Economic Ministers for their consideration.

Summary

With the Pacific Leaders endorsement of the 2050 Strategy for the Blue Pacific Continent (2050 Strategy) in July 2022, the Blue Pacific Economic Strategy (BPES) is envisaged to outline the economic strategies and pathways to deliver the 2050 Strategy. In adherence to the 2021 Forum Economic Ministers decision, CERT agreed for the BPES revised concept note to be presented to Economic Ministers for their consideration.

The BPES concept note has been reviewed and re-framed to contextualise the impact of the pandemic on the economic strategies for recovery and lay the economic transformation roadmap for the Pacific. There are four (4) proposed core BPES economic goals which are: (a) Grow and Diversify the Economic Pie, (b) Strengthen Economic Defenses from Shocks, (c) Optimize Blue Economy Revenue Potential, (d) Future Proof Pacific Economies.

The BPES will have clear alignment with the 2050 Strategy and will outline the critical economic strategies and pathways to develop a robust, inclusive and responsive economic and financial strategy for the sustainable economic prosperity Pacific. The formulation of BPES, if endorsed, is expected to commence alongside the development of the 2050 Strategy implementation plan and the review of the regional architecture.

A. Background

The Pacific Leaders endorsed the 2050 Blue Pacific Strategy in July 2022. To support the 2050 Strategy, the Blue Pacific Economic Strategy (BPES) is expected to outline the economic strategies and pathway to deliver the 2050 Pacific strategy. In adherence to the Forum Economic Ministers Meeting (FEMM) 2021 decision, CERT agreed for this paper to be presented to Economic Ministers for their consideration at their meeting in August 2022.

2. The BPES concept note has been reviewed and re-framed (*refer to Attachment A*) to contextualise the impact of the pandemic on the economic strategies for recovery, as this will shape the economic pathway trajectory for the BPES and lay the economic transformation roadmap for the Pacific.

3. The BPES will have clear inter-linkages with the 2050 Strategy and will outline the critical economic strategies and pathways to develop a robust, inclusive and responsive economic and financial strategy for the sustainable economic prosperity Pacific.

B. Key Goals and Linkages of the Blue Pacific Economic Strategy

4. The four (4) core envisaged BPES economic goals are:

- a. Grow and Diversify the Economic Pie
- b. Strengthen Economic Defenses from Shocks
- c. Optimize Blue Economy Revenue Potential
- d. Future Proof Pacific Economies

5. The Blue Pacific Economic Strategy will link to the 2050 Strategy primarily but not limited to, the Resource and Economic Development theme, linking the sustainable management of Pacific natural and human resources and the optimization of economic wealth from these resources. BPES is also intricately linked to all the other 2050 Strategy thematic areas of political leadership and regionalism, people-centred development, peace and security, climate change, ocean and environment and technology and connectivity, as the key economic road map to achieve these aspirations.

6. BPES aims to reach beyond the traditional limits of physicality and smallness, to leverage large Pacific oceans through the blue economy strategic work that feeds into BPES. To optimize blue economy revenue potentials, the proposed regional Blue Economy Framework and Strategies, a key component of BPES, aims to develop an integrated, coherent and coordinated regional approach to a sustainable ocean economy, and is linked to the Ocean and Environment, Climate Change and Resource and Economic Development 2050 theme.

7. At the core of BPES, are the inter-linkages on core Blue Pacific economic sectors consisting of traditional blue economy (fisheries, non-fish ocean resources), tourism, blue trade corridors (shipping, ports), blue sky (airlines) that need to be strengthened. The rest of the resource and service economic sectors will be inter-linked and enabled under the same BPES overarching strategic considerations outlined in the concept note.

8. As a central part of the BPES, the regional Blue Economy framework and strategies mapping exercise is currently underway with the support of UNDP. This will identify the trends, gaps and opportunities in the blue economy space to develop the Blue Economy Strategies as a coordinated and collective regional approach that feeds into the overall BPES.

C. How we will develop and deliver the Blue Pacific Economic Strategy

9. The BPES formulation process will be overseen by CERT. To strengthen the regional economic formation and in alignment with the review of the regional architecture, the proposed continuity of CERT to the Pacific Economic Committee (PEC), consisting of Secretaries of Finance is designed to strengthen regional economic co-ordination and the implementation of FEMM decisions, and is also the proposed permanent platform to implement and monitor the BPES. *A separate FEMM Paper 4c. is being tabled for Economic Ministers consideration in this regard.*

10. BPES will be phased to align to the 2050 Implementation Plan, with thematic implementation phases to be mapped to predictable budget and planning cycles, and can be in 5-yearly targets with decade themes, and aligned to Member National Development Plans cycles.

11. BPES will need to have clear high-level regional economic milestones, based on collective economic actions that are mutually agreed, measurable and achievable. The monitoring and evaluation (M&E) of BPES will also be strengthened with the proposed enhancements to the regional economic formation and economic dashboards.

Pacific Islands Forum Secretariat
29 July 2022