



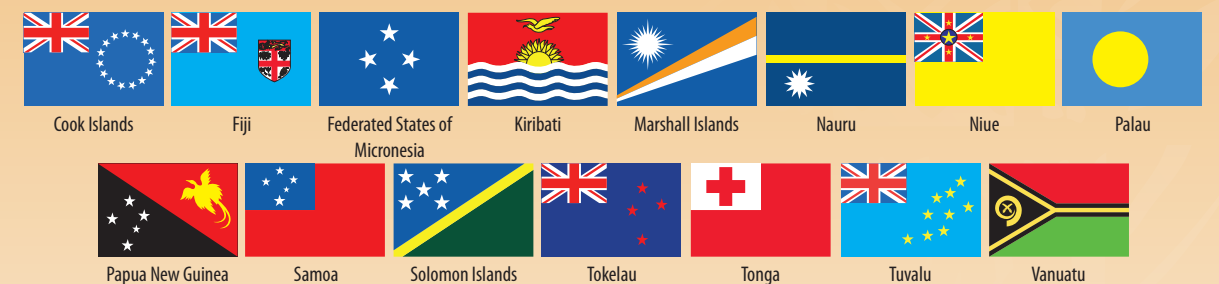
*Empowered lives.  
Resilient nations.*

# Annual Report 2012

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**UNDP Pacific Centre**

Partners in achieving prosperity and stability in the Pacific



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## Abbreviations

ADB	Asian Development Bank
AusAID	Australian Agency for International Development
BCPR	Bureau for Conflict Prevention and Recovery
BDP	Bureau for Development Policy
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CO	Country Office
CPR	Conflict Prevention and Recovery
CROP	ouncil of Regional Organisations in the Pacific
CSO	Civil Society Organisation
DRM	Disaster Risk Management
FRSC	Forum Regional Security Committee
FSM	Federated States of Micronesia
HIES	Household Income and Expenditure Survey
LDCs	Least Developed Countries
LGTB	Lesbian Gay Trans-sexual Bisexual
MCO	UNDP Multi-Country Office
MDG	Millennium Development Goal
OHCHR	Office of the High Commissioner for Human Rights
PACER	Pacific Agreement on Closer Economic Relations
PFIP	Pacific Financial Inclusion Programme
PICs	Pacific Island Countries
PIFS	Pacific Islands Forum Secretariat
PIPSO	Pacific Islands Private Sector Organisation
PNG	Papua New Guinea
PRNGOs	Pacific Regional Non-government Organisations
RMI	Republic of the Marshall Islands
SPC	Secretariat of the Pacific Community
SPREP	South Pacific Regional Environment Programme
UNAIDS	United Nations Joint Programme on HIV/AIDS
UNCAC	United Nations Convention Against Corruption
UNDP	United Nations Development Programme
UNDAF	United Nations Development Assistance Framework
UNFPA	United Nations Population Fund
UNODC	United Nations Office on Drugs and Crime
USP	University of the South Pacific
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women



## Message from the Manager

I am pleased to introduce the UNDP Pacific Centre's seventh official annual report. The Centre, based in Suva, Fiji supports the work of the UNDP Country Offices in the Pacific and implements a range of regional and sub-regional initiatives. The Pacific Plan produced in 2005 as a regional strategic framework, continues to guide our regional work and is a platform for our work with other partners in the advocacy of sometimes sensitive or newly emerging issues as well as in areas where regional cooperation has been endorsed by the Pacific Islands leaders.

The inter-relationship between the Centre and the Pacific Country Offices is critical for ensuring that the Centre's work remains focused on the priorities of the countries as well as for promoting national level commitment and follow-up to regional initiatives. UNDP's work in the Pacific is also strengthened by its wide range of partnerships with regional organisations and UN agencies and by being able to access the advice and experience, when required, of both colleagues in UNDP's Asia Pacific Regional Centre in Bangkok and Headquarters in New York.

The Centre's work focuses on four key thematic areas where we believe we can work with partners to make an important contribution to the region: crisis prevention and recovery; democratic governance; MDG achievement and poverty reduction, including work on HIV and AIDS, environment, energy and climate change; and financial inclusion.

As a tight knit team, the Centre has been able to demonstrate the capacity to work across thematic areas; draw differing skills together to provide the best policy advice; and build a range of partnerships with Governments, regional organisations, UN agencies, non-government organisations (NGOs) and the private sector. The Centre's connections to the global UNDP community has allowed Pacific Island decision-makers to benefit from the experience of others while also providing a catalyst for sharing Pacific knowledge more broadly. Work towards women's empowerment and gender equality underpins much of the activity in the Pacific Centre. Gender is mainstreamed across each of the thematic areas. An important segment of that work involves applied research and publication that adds to the body of knowledge on gender equality across the Pacific region. Some examples are highlighted below.

- At the end of 2010, the Pacific Centre supported the establishment of a Pacific Regional Working Group (RWG) on Women, Peace and Security. Members include the Pacific Islands Forum Secretariat (PIFS), UN agencies, civil society organisations (CSOs) and Pacific Island government representatives from Solomon Islands and Papua New Guinea (PNG), which had the policy task to develop a Regional Action Plan to assist Pacific Island countries (PICs) with implementation of UN Security Council Resolutions 1325: Women, Peace and Security and 1820: Addressing Sexual Violence in Conflict and Post-Conflict Situations. The Regional Action Plan was launched on 19 October 2012 by the Chair of the Pacific Islands Forum, the Prime Minister of the Cook Islands, Honourable Henry Puna.
- The Pacific Centre assisted the Republic of the Marshall Islands Government and the Cook Islands Government in costing the implementation of laws addressing domestic violence. The support included an in-country costing exercise jointly with the Governments to determine the cost over a three-year period of implementing legislation addressing domestic violence. Costing exercises can be critical tools in ensuring the implementation of law and the allocation of adequate resources. In addition, they provide guidance in delineating responsibility among government offices in the law's implementation and an avenue for partnership with the non-governmental and private sectors.



- In the area of financial inclusion, women's empowerment and gender equality has been fostered through gender responsive financial competency research; through developing the capacity of women to participate in policy planning, reporting and monitoring and evaluation of programmes; gender sensitive financial education; and the design products for women vendors. There are now over half a million Mobile Money subscribers in Fiji, Tonga, Samoa and Vanuatu, of which 52% are women.
- In PNG, the Office of the Department of Women and the UN organised a 'Practice Parliament' for Women in April 2012 to support women candidates in their efforts to get elected to the National Parliament in the 2012 elections. Three women were elected at the June 2012 elections, one of whom, Honourable Loujaya Toni, was a participant in the 'Practice Parliament'.
- The Pacific Centre, in collaboration with UN Women implemented the Millennium Markets: One Market One Country Project through the Women's Economic Security and Rights Initiative, developed for Fiji, PNG, Solomon Islands and Vanuatu. In 2012, more than 300 women in Rakiraki, Fiji benefitted from this project, through which legal, socio-economic and financial development opportunities were provided to women market vendors in the informal economy, leading to the development of social protection mechanisms and a strengthening of the capacity of the local governments and town councils to respond better to the needs of the women vendors.
- Our work in the area of HIV also had a strong emphasis on gender, and this included policy development projects such as the drafting of a human rights based HIV Bill for the Cook Islands and technical assistance to Vanuatu, Solomon Islands, Kiribati, Fiji, PNG and Tuvalu to progress HIV-related legal reform in collaboration with UNAIDS, the Secretariat of the Pacific Community (SPC) and the Pacific Islands AIDS Foundation. Our work with religious leaders in partnership with theological schools in Fiji and Tonga has contributed to reducing HIV related stigma and discrimination in Christian communities.

Knowledge management and communications remain important elements in the success of the Centre. The Centre and the UNDP Multi-Country Office have an Integrated Communications and Knowledge Management team (iComms) that provides services to all UNDP's offices throughout the region. The Pacific Solution Exchange Climate Change and Development Community reached a milestone of 1300 members, by its first anniversary. The Community aims to enhance knowledge sharing in the Pacific for improved coordination and cooperation in support of the Pacific Plan and Forum Compact.

I would like to express my sincere appreciation to our funding partners, particularly Australia, the European Union and the Japanese Government for their ongoing support.

I would also like to extend the Centre's gratitude to our wide range of partners, both inside and outside the region. Their support and willingness to share expertise to jointly design and implement many of our activities has contributed significantly to their relevance, impact and sustainability.

Finally, a special thanks to the staff of the Centre who have worked so hard and so effectively as a team throughout 2012.

I hope that you will find this report informative, but most of all recognise that none of our work has been possible without the commitment and support of a range of partners. They include those who have provided us with funding as well as worked closely with us to implement our work programme in 2012.

**Garry Wiseman**  
UNDP Pacific Centre Manager



## Overview of Issues in the Pacific Region

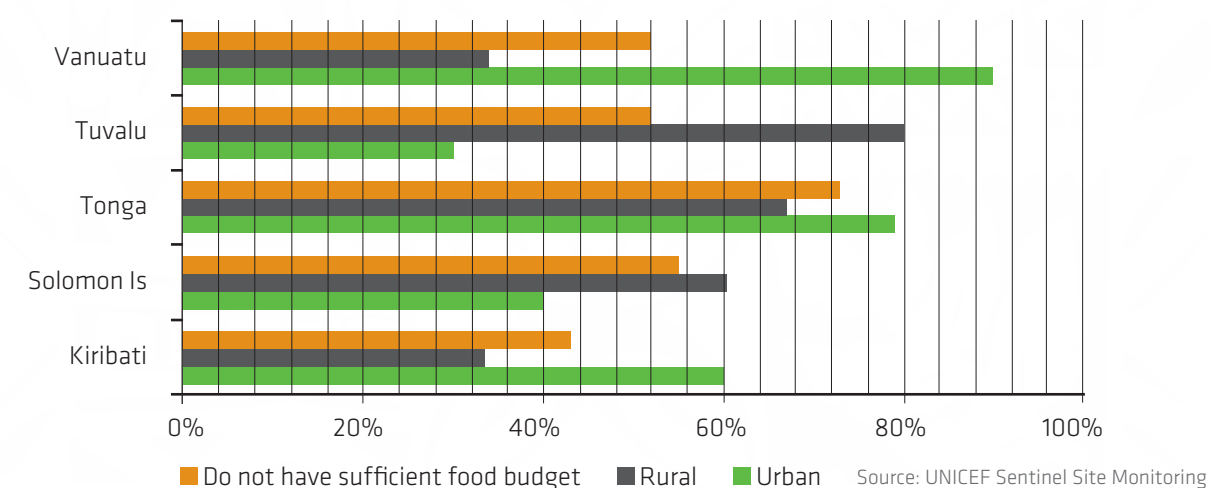
### Human Development Trends and MDGs Achievement in the Pacific

Most of Pacific countries remain off track or are progressing slowly towards the achievement of the Millennium Development Goals (MDGs). This is particularly the case for the first Goal on eradicating extreme poverty and hunger and the third Goal on promoting gender equality and empowerment of women.

Only Niue and Tokelau are on track to achieve MDG 1. While extreme poverty and hunger is low in the Pacific, poverty, in terms of the proportion of the population below the basic needs poverty line, has risen in several countries, mainly due to the economic crisis. In Cook Islands, the proportion of the population living under the national basic-needs poverty line has remained the same during the period 2006 to 2008, while in the Federated States of Micronesia (FSM) the number has increased during the period 1990 to 2002 and remained the same during the period 2002 to 2009. The proportion of people living under the basic needs poverty line declined in Fiji and Vanuatu during the period 2006 to 2010, while in Samoa the proportion increased from 21% in 2003 to 26% in 2008. Currently it is averaging around 23% in Kiribati, Solomon Islands and Tonga, 35% in Fiji (down from 39% in 2005), 26% in Samoa, 29% PNG and Cook Islands, 12.7% in Vanuatu (down from 13% in 2006) and 18% in Tuvalu.

Meanwhile, inequality and human poverty are rising rapidly even in countries where there has been a relatively significant reduction in basic needs poverty over the last 10 years (e.g. Fiji). Economic growth is unbalanced, unstable and exclusive. Frequent and sharp growth fluctuations and macroeconomic shocks disrupt efforts to achieve MDGs and reverse progress achieved during periods of relatively high and stable growth. Geographic disparities are manifest in high income inequality and human poverty and slow progress towards the achievement of MDGs in outer islands and remote areas.

**Figure 1:** PICs vulnerability to economic shocks



Most PICs are on track or slightly off track for MDG 2 targets, with the exception of PNG, Nauru, and to a lesser extent the Solomon Islands. Literacy rates are among the highest in developing countries, above 90%. Net enrolment ratios are off track in Solomon Islands and PNG for primary education. Net enrolment ratios drop significantly for secondary and higher education in nearly all PICs. Geographic disparities within countries are quite high as delivering basic services, including education, to rural areas and remote outer islands is a major challenge in all PICs. While some of the indicators demonstrate good progress on the quantitative front, the quality of education is a major concern in PICs.

Although gender parity in terms of education is impressive, women’s economic and political empowerment remains a major challenge. Violence against women is also a major issue in the Pacific. Non-agriculture employment participation rate ranges between 30-50% of all women throughout the Pacific region. Gender discrimination in terms of wage and work conditions is still prevalent. While Cook Islands, Marshall Islands, Niue, Tonga, Tuvalu and Vanuatu have shown progress in expanding female employment, in Fiji the rate has declined, partially due to the reduction in employment in the garment industry. Unemployment among women is typically higher in rural and remote areas for nearly all Pacific countries. The average number of seats in Parliament held by women, based on latest reports for all PICs is merely 5.8 percent.<sup>1</sup> Nauru, Solomon Islands, Tonga, Tuvalu and FSM have no women in Parliament. Violence against women is a major concern. Cook Islands is currently in the process of drafting of a new Family Law Bill that will help ensure national commitment to gender equality and the full implementation of the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW).

Young people make up a significant portion of Pacific Island populations (more than half of the total Pacific population is under the age of 25 and approximately one in five people or one third of the adult working population are youth using the UN definition of youth as being anyone between the ages of 15 to 24 years<sup>2</sup>). PICs have significant youth unemployment ranging between 15-40%. The *State of Pacific Youth Report 2011* highlights that “young Pacific Islanders are not a demographic ‘to be saved’, but rather a generation that if further empowered will help bring about improvements in governance, development and equality throughout the region”.

In terms of health, the biggest challenge in the Pacific is the capacity to deliver basic services, particularly to outer islands. Weak health systems and health information systems are common across the PICs as well as low coverage of family planning and ante-natal care in the larger archipelagos (PNG, Solomon Islands and Vanuatu). This impacts both the delivery of appropriate services and the tracking of progress. Although HIV prevalence remains low outside PNG, the rates of Sexual Transmitted Infections (STI) are very high. Social conservatism, unfavourable laws and policies, combined with the low status of women create an unfavourable milieu for HIV and STI prevention.

Malaria is endemic in PNG, Solomon Islands and Vanuatu (which represent the vast majority of the population of Pacific Islands). While Solomon Islands and Vanuatu have made significant progress in reducing the burden of malaria, underpinned by widespread use of Insecticide Treated Nets (ITNs) thanks to strong support by development partners, malaria in PNG remains a cause for concern.

Six countries (FSM, Kiribati, Marshall Islands, PNG, Solomon Islands and Tuvalu) are identified as having a high burden of tuberculosis (TB). However, Kiribati, Tuvalu and Solomon Islands are on track to reverse the incidence of TB. Drug-resistant TB in the Marshall Islands and FSM are making it more difficult for these countries to combat TB. For PNG, as with malaria, TB remains a major public health problem, especially given the relatively high prevalence of HIV (generalised epidemic).

In addition to capacity issues and geographical remoteness progress on MDGs 4, 5 and 6 are closely related to multidimensional determinants of health such as poverty, food insecurity and the low status of women in some societies.

<sup>1</sup> This averages uses the 2006 pre-coup figures for Fiji Islands.

<sup>2</sup> United Nations, Department of Economics and Social Affairs (2012), Population Data Tables. Accessed at [http://esa.un.org/unpd/wpp/unpp/panel\\_population.htm](http://esa.un.org/unpd/wpp/unpp/panel_population.htm) on February 28, 2012; UNICEF and SPC (2011), State of Pacific Youth 2011. UNICEF and SPC. Noumea.



## Economic Trends in the Pacific Region

Economic growth rates have been generally low both in middle-income countries and the five Least Developed Countries (LDCs), and do not appear to have resulted in significant reductions in poverty, inequality and vulnerability. Across the Pacific region, average annual growth in real gross domestic product (GDP) has increased in the period 2004 to 2007, driven mainly by GDP growth in PNG, Timor-Leste, and Vanuatu. However, the growth rate of real GDP was negative in more than half of the Pacific countries in 2009 and in 2010 moved into positive territory in all the countries except Tonga. In 2011, GDP growth rates increased modestly.

**Table 1: Real growth rate of GDP (per cent per year)**

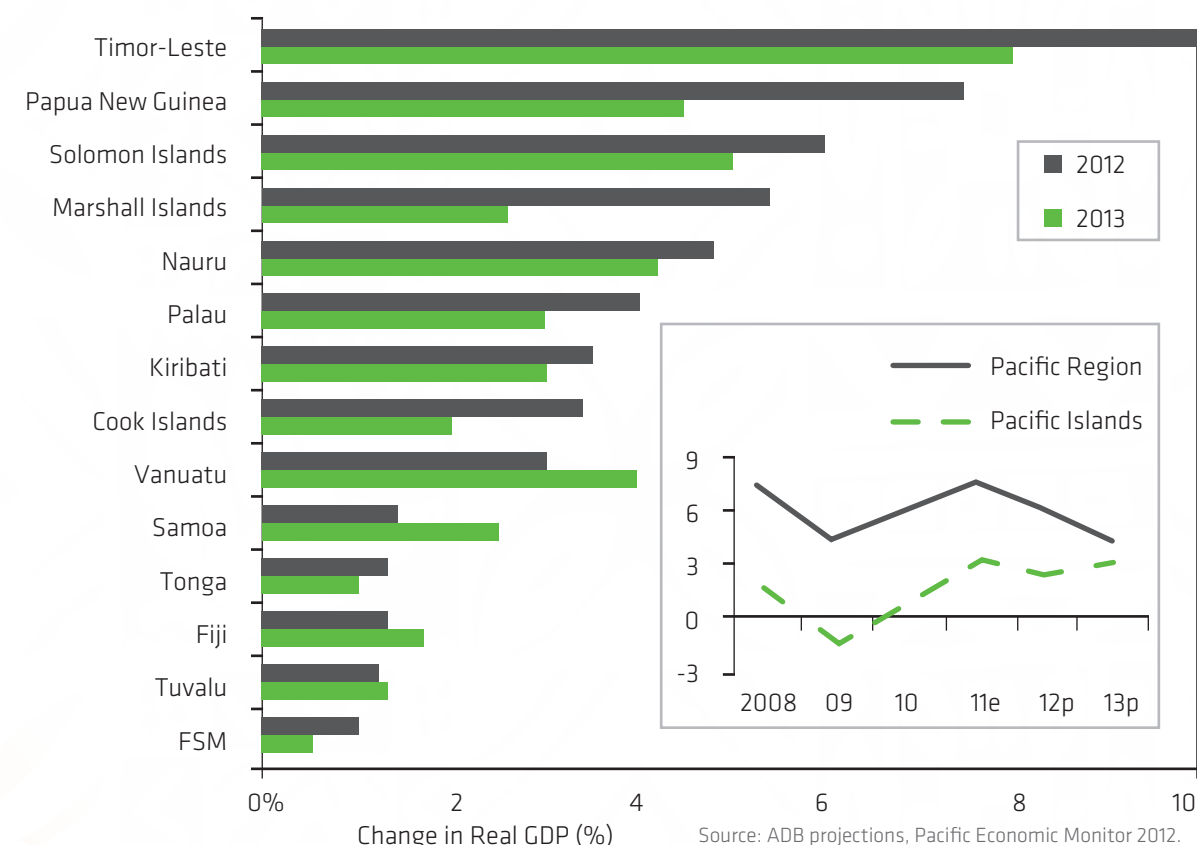
	2006	2007	2008	2009	2010	2011	2012
The Pacific	1.5	5	5.3	4.2	5.2	6.3	5.4
Cook Is	0.7	9.5	-1.2	-0.1	0.5	2	2.5
Fiji	1.9	-0.9	0.2	-3	0.1	0.5	0.8
Kiribati	1.9	0.4	-1.1	-0.7	0.5	2	2
Marshall Is	1.6	3.5	-1.6	-2.1	0.5	1	1.2
FSM	-0.4	-2.0	-2.3	0.5	0.5	1	0.8
Nauru	6.3	27.3	1	0	0	4	4
Palau	-3.7	-0.5	-4.9	-2.1	2	2	1.5
Samoa	0.3	6.6	-3.2	-1.7	0	2.1	3
Solomon Is.	6.9	10.3	7.3	-1.2	4	7.5	4
Timor-Leste	-5.9	9.1	12.2	12.7	9.5	10	10
Tonga	0.6	-1.4	2	-0.4	-1.2	0.5	1.8
Tuvalu	6.6	4.9	1.3	-1.7	0	0	0.5
Vanuatu	7.2	6.8	6.3	4	3	4.2	4

Source: Asian Development Bank Development Outlook 2011

While growth trends in the Pacific has shown some signs of recovery in 2011 and 2012, most countries are still struggling to address the ongoing impact of the weak global economy. While tourism numbers have improved and income from extractive industries continue to grow in countries such as PNG, agriculture and manufacturing have been declining steadily over the last five years in most Pacific countries. Agricultural and forestry exports have declined significantly in 2010 and 2011. The Pacific Economic Monitors (2012) highlights the improvements in government revenue collections, which help in improving the fiscal position in several Pacific Islands economies. After sharp hikes in 2007, 2008 and 2009 as result of the global food and energy crisis, inflation has stabilised in most Pacific countries, converging back to its pre-crisis levels. The weak domestic demand contributed to lowering the inflationary pressure in 2011 and 2012 as well as projected inflation rates for 2013. Current growth trends, coupled with the strict and over-cautious monetary policy, should maintain inflation rates around the long-term trend, which is relatively low. In 2012 increases in international food and energy prices generated inflationary pressures and need to be monitored closely.



**Figure 2:** Real GDP projections in 2012 and 2013



While advances have been made in recent years to broaden financial access through better use of technology, the Pacific continues to be one of the least-banked regions in the world. UNDP estimates that around 6.5 million people, representing 80% of low income people living in urban, peri-urban and predominately remote villages and islands scattered across an ocean covering one third of the world's surface, do not have access to formal and informal financial services. As a consequence, a majority of people who are excluded are not able to achieve their full economic potential and are denied the opportunities to attain a productive and dignified living.

Challenging geography, poor infrastructure, persistent poverty, low financial competency levels and subsistence livelihoods have all contributed to a lack of financial inclusion in the region. In addition, conventional financial service providers (banks, insurance companies, etc.) lack information required to make sound business cases for serving the relatively small markets of Pacific countries, even though previously inaccessible populations are increasingly reachable through new technology and improving infrastructure.

It is widely acknowledged that traditional social safety nets are breaking down and that government and private sector pension programmes are insufficient to fill the gap. Unexpected financial expenditures related to deaths, health emergencies, floods and crop failures significantly threaten households across the Pacific. At such times, inability to manage budgets effectively reduces household resilience, resulting in increased poverty. Moreover, cultural and social requirements – in particular those associated with funerals – can cost Pacific Island households thousands of dollars resulting in significant financial pressures. For higher income households, insurance products have alleviated some of these financial pressures; however, such services are basically unavailable to the vast majority of the population.

Trends in the financial and telecommunications sectors offer hope and opportunity for increasing financial inclusion in the region. The major commercial banks have all begun moving to the low-income and rural markets, with all three introducing “no maintenance fee” bank accounts that are proving quite popular. In PNG, the Bank of South Pacific Limited (BSP) has over 250,000 registered e-banking users and is providing electronic services to its customers through ATMs, mobile point-of-sale units, mobile phone banking and a subsidiary, BSP Rural. Westpac has launched its “In-store” banking model which utilises bank agents and EFTPOS machines to offer bank accounts and bill pay to formerly unbanked areas of Fiji, PNG, Samoa, Solomon Islands and Tonga. Further, banks are either introducing or enhancing their mobile phone-based banking services across the region. In competition with banks and mobile transfer operators, mobile network operators now offer their clients access to mobile wallets in Fiji, Samoa, Tonga and Vanuatu and access to domestic and international remittance services at low cost in Fiji, Samoa and Tonga.

### Political Developments in the Pacific

Governance in Pacific made notable progress in some areas, but suffered setbacks in others in 2012. During the year, national elections were held in PNG, Vanuatu and Palau. PNG's elections ended a period of instability described as a destabilising constitutional crisis which began in August 2011 with the no-confidence motion in the Government of the day. In early 2012, there continued to be disagreement over national leadership, but this was finally resolved with the June 2012 elections which resulted in Prime Minister Peter O'Neill winning support from an overwhelming 94 of the nation's 111 Members of Parliament (MPs). The Prime Minister was supported by political rival Honourable Michael Somare, as well as support from two former Prime Ministers, Honourable Pias Wingti and Honourable Julius Chan. Prime Minister O'Neill clarified two broad priorities: to increase the proportion of citizens who participate in and benefit from the resource economy; and to upgrade PNG's national infrastructure and increase productivity.

Vanuatu held general elections in October 2012, with the new Parliament electing Honourable Sato Kilman as Prime Minister in November 2012. Within weeks of presiding over a coalition of 13 political parties, there were already suggestions of a no confidence vote being run against Prime Minister Kilman. A number of election appeals are before the Supreme Court (including one lodged to challenge the eligibility of the Prime Minister to contest the elections), and the death of an MP within weeks of election has necessitated a by-election for the seat of Tanna. No women were elected into Parliament, leaving Vanuatu with no female MPs in the national legislature. Palau also held national elections in November 2012. Incumbent President Johnson Toribiong lost his re-election bid, with former President Tommy Remengesau Junior regaining the Presidency. Encouragingly, the number of female Members of the Congress increased from two to three, with an additional female Senator elected to the Upper House.

Women's representation in the political, social and economic leadership continues to pose a challenge. FSM, Nauru and Vanuatu currently have no female MPs, while Marshall Islands, Solomon Islands, Tonga and Tuvalu only have one female MP in the legislature. Encouragingly however, Kiribati, Marshall Islands, PNG and Samoa all have female members of Cabinet. In PNG, although the push for reserved seats for women failed at the last legislative hurdle, nonetheless three women were elected in the June 2012 elections, the most women ever to sit in the PNG Parliament at the same time. Honourable Julie Soso, elected into a provincial seat, is also only the second female Governor ever in PNG. In Samoa, the Government took the initiative to promote women's political participation by tabling legislation to introduce a 5% minimum quota for women in the national legislature. The Bill is still currently under discussion but has strong support from the Prime Minister. Encouragingly, at the 43rd Pacific Islands Leaders Forum in October 2012, the Australian Government launched a new AU\$320 million Pacific Gender Initiative, which focuses on the promotion of women's political participation, as well as women's economic empowerment and tackling violence against women.

In Fiji, the military government continues to be in place. However, in mid-2012, the Government initiated a process of constitutional reform, with the creation of a five-member Constitutional Commission, comprising two international experts (Professor Yash Ghai and Professor Christina Murray) and three local representatives (Peni Moore, Satendra Nand and Taufu Vakatele). Over 7000 submissions were received by the Constitutional Commission over the course of six months of public consultations. A draft Constitution was submitted to the President in late December by the Constitutional Commission. On 10 January 2013, Government announced that the new draft Constitution prepared by the Commission was to be amended by a Government legal team before it is submitted to the Constituent Assembly.

In Solomon Islands, the Regional Assistance Mission to Solomon Islands (RAMSI) confirmed in 2012 that they will be gradually stepping back in a number of areas to enable Solomon Islanders to take the lead in shaping their country's future. It is envisaged for example that from mid-2013, RAMSI will concentrate on continuing to build the capacity of the Royal Solomon Islands Police Force and development assistance will move from RAMSI to bilateral and other programmes. Discussions have also begun on the proposed withdrawal of the mission's military component sometime after 1 July 2013.

All Pacific Islands countries have now gone through the Universal Periodic Review (UPR) process, with all Pacific governments making commitments to advance human rights at the national level. In 2012, this manifested itself in the additional ratification of human rights treaties by three PICs (Nauru ratified the Convention Against Torture and the Convention on the Rights of Persons with Disabilities; FSM ratified the Optional Protocol to the CRC; and Samoa ratified the Convention for the Protection from Enforced Disappearances). Invitations were also extended to special procedures mandate holders by four PICs - the Special Rapporteur on Violence against Women visited PNG and Solomon Islands; the Special Rapporteur on Toxic Waste visited the Marshall Islands; and the Special Rapporteur on Water and Sanitation visited Kiribati and Tuvalu. In addition, in 2012 Palau, Samoa, Solomon Islands and Vanuatu all actively explored options to establish some form of national human rights mechanism.

While corruption continues to plague the Pacific, a number of positive steps were also taken by PICs to more systematically address corruption and promote accountability. FSM, Nauru and Solomon Islands ratified the UN Convention against Corruption, bringing the total number of ratification to nine Pacific Island countries. The PNG Government ramped up its efforts to investigate corruption through an Operation Taskforce Sweep, and is understood to have commenced drafting of key pieces of anti-corruption legislation in support of the PNG National Anti-Corruption Strategy which was launched in 2011 and re-endorsed by the Government following the 2012 national elections. It is understood that both PNG and Solomon Islands are also exploring options for establishing Independent Commissions Against Corruption, while Vanuatu continues to work on legislation to strengthen the powers of the Ombudsman. In 2012, Tonga also launched the region's first-ever Freedom of Information Policy, to improve transparency and accountability in government, and Kiribati and Vanuatu initiated efforts to follow suit.

2012 witnessed another year of close collaboration by the Melanesian Spearhead Group (MSG) members (Fiji, PNG, Solomon Islands and Vanuatu). Apart from being a platform to foster better trade amongst MSG members and also trading with Australia and New Zealand, MSG has made progress in providing the opportunity for political dialogue for Fiji with other PICTs given the removal of Fiji from the Pacific Leaders Forum. In 2012, a new Pacific Island Development Forum led by Fiji held a special regional meeting to discuss issues of importance to the region, prior to the 43rd Pacific Islands Forum.

## Energy, Climate Change and Environment Development in the Pacific

The Large Oceans Island States – the Pacific Challenge was the theme for the 2012 43rd Pacific Island Forum Leaders meeting held in the Cook Islands. This theme aimed to strike a balance between sustaining the development of marine resources with the interests of preservation and conservation. The Pacific leaders noted the need to develop a Pacific position on the post-2015 development agenda. They also acknowledged the range of efforts undertaken to support improved Pacific Islands' access to, and management of, climate change financing. In relation to the United Nations Conference on Sustainable Development Conference (UNCSD), Rio+20, "Leaders welcomed the important outcomes of Rio+20 for the Pacific, including reaffirmation of the special case for Small Island Developing States (SIDS), an emphasis on oceans, and the decision to develop Sustainable Development Goals."

Over the past few years there have been numerous climate change initiatives at the regional and national levels in the Pacific for both adaptation and mitigation. However, it is recognised that new and additional resources will be needed to secure the development gains in the face of climate change. There is a strong call for on-the-ground initiatives and a move from talk to action on climate change. With the advent of numerous climate funds, the Pacific wants to ensure that funding is flexible and ideally channeled through national systems. The Pacific and a number of individual countries are playing major roles in key international mechanisms: Nauru in its current role as Chair of the Alliance of Small Island States; Samoa as the Pacific Small Island Developing States representative on the Green Climate Fund Board; and Fiji as the Pacific Small Island Developing States representative on the Adaptation Fund Board and as the incoming Alternate Council member on the Global Environmental Facility Council.

During 2012, the United National Framework Convention on Climate Change (UNFCCC) from Durban to Doha has resulted in movement toward a "protocol, another legal instrument or an agreed outcome with legal force", the development of institutional arrangements to compensate developing countries for loss and damage caused by slow onset events, addressing the issue of mid and long-term finance, an agreement on National Adaptation Plan (NAP) and the operationalisation of the Green Climate Fund. Whereas this is by no means an exhaustive list of issues relevant to the Pacific, it shows the dynamic international back-drop within which the region's work on climate change is situated.

Sustainable Energy for All (SE4All) is a global initiative led by the Secretary-General of the United Nations to achieve universal energy access, improve energy efficiency, and increase the use of renewable energy. It was launched to coincide with the designation by the UN General Assembly for 2012 as the *International Year of Sustainable Energy for All*. In the Pacific, Fiji and Samoa have joined this initiative.





## Pacific Centre Management, Partnerships and Resources

### Regional Programme

All UNDP activities are implemented within the framework of the UNDP Strategic Plan 2008-2013. The UNDP Strategic Plan was approved in 2007 by the UNDP Executive Board, a steering and oversight body consisting of 36 UN member countries who serve on a rotating basis. Initially covering the period 2008 to 2011, the Plan was subsequently extended until 2013. The Asia-Pacific Regional Programme 2008-2011 was derived from the UNDP Strategic Plan and was also extended until 2013 to maintain this alignment. The Regional Programme guides the work of the Pacific Centre, and the Asia Pacific Regional Centre in Bangkok. For the Pacific, the programme has also been guided by the initial priorities of the Pacific Plan and subsequent decisions of Pacific Island Leaders as well as the lessons learned from previous UNDP regional programmes.

In support of the Regional Programme Document, the Centre is implementing four major Pacific regional projects – Governance in the Pacific, Crisis Prevention and Recovery, and MDGs Achievement and Poverty Reduction and Financial Inclusion. The Pacific project documents, which run from 2008-13, all went through a consultative process with a number of stakeholders within the Pacific region – governments, NGOs, donors and other UN agencies – before being approved by governments in the region and the UNDP Directorate for the Asia Pacific region in December 2007.

### Governance Arrangements

The Pacific Centre is part of the regional architecture of Asia Pacific, with the Manager of the Centre reporting directly to the Deputy Regional Director, who is based at the Regional Bureau for Asia and the Pacific in New York. The Centre's work is reviewed annually by a Management Committee that is chaired by the Deputy Regional Director and includes the three Pacific Resident Representatives and a senior representative from the Bureau for Development Policy. Guidance on the work plan for the Centre is also provided by a Projects Steering Committee that includes country and regional organisation representatives.

In December 2012, the Projects Steering Committee met in Suva and the meeting was chaired by the Deputy Regional Director and attended by representatives of all the countries the Centre works in. Resources allocated in the annual work plan for the Centre is based on this performance review process and in response to emerging priorities as determined by Pacific Island Forum Leaders. Careful attention is paid to ensure that the Centre's work is targeted, complements country-based initiatives that are managed by the UNDP Country Offices and reflects the comparative advantage of UNDP.

The Pacific Centre also participates in the Board of the UNDP Joint Operations Centre (JOC) which was established in April 2011. JOC operates as a service centre hub, providing operational services to the UNDP Fiji Multi-Country Office, Pacific Centre, Solomon Islands Sub Office and other UN agencies.

### Our Partnerships

During 2012, the Pacific Centre maintained a focus on strengthening partnerships with regional and national stakeholders. In this context, the region's intergovernmental organisations are key Centre partners, including PIFS, SPC and the University of the South Pacific (USP). The Centre also partners with Pacific parliaments, national Reserve/Central Banks, private sector organisations, NGOs, UN agencies and other donors.

### Our Country Office Services

The Pacific Centre provides on request policy advisory; technical backstopping for programme design and implementation; and knowledge management support to UNDP Country Offices in the Pacific, namely the Samoa Multi-Country Office, Fiji Multi-Country Office and PNG Country Office, as well as to PIC governments, intergovernmental agencies and civil society organisations.

In 2012, support to UNDP (Multi-)Country Offices for ongoing programmes and projects was complemented by technical support for the development of a new UN Development Assistance Framework (UNDAF), which comes into place from 2013. The Pacific Centre provided technical inputs to Common Country Assessments for the 14 countries covered by the Samoa and Fiji Multi-Country Offices, as well as providing quality assurance for the final draft UNDAF. As a follow-up to the Pacific UNDAF process, a first ever sub-regional programme document covering UNDP assistance to the 14 countries from the Samoa and Fiji Multi-Country Offices and the Centre has recently been approved by the UNDP Executive Board. This document covers the period 2013-2017. During 2012, the Integrated Communications and Knowledge Management (iComms) team continued its efforts to capture stories and knowledge that showcase the role of UNDP throughout the Pacific and PNG. Notably, the iComms team provided media and communications support to the debates organised to gather Pacific youth voices for the Post-2015 Development Agenda, as well as to the inaugural Trade Pasifika, that gathered some 55 Pacific entrepreneurs to showcase their products and services.

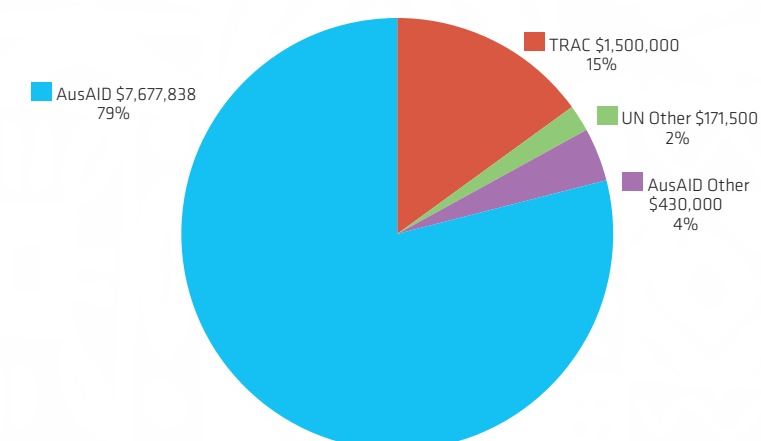
The Pacific Solution Exchange Climate Change and Development Community, which operates from within the iComms team, held its first annual forum in September 2012. With more than 1300 members from across the Pacific and globally, the community discussed a broad range of issues including non-communicable diseases and climate change, the role of traditional knowledge, information and communications technology (ICTs) and development, to name a few.

### Resource Mobilisation

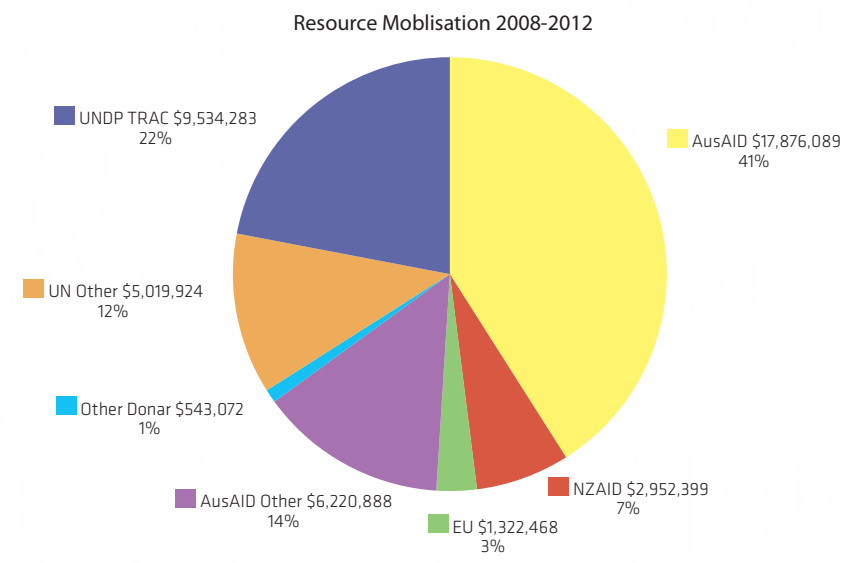
UNDP resources of US\$1.67 million provided a sound foundation in 2012 for the Centre's resource mobilisation efforts. The Centre continued to enjoy the support of Australia under long-term cost sharing agreements that were signed at the beginning of the current programme cycle and which will be coming to an end in 2013. AusAID, as development partner provided programme resources that allow the Centre flexibility in the allocation of funding to implement the agreed work plan. In 2012, AusAID provided US\$4.3 million for "core" support to the Centre.

In addition to the "core" support, AusAID also provided a further US\$3.2 million for specific activities that included ongoing funding under the multi-year support initiative for Crisis Prevention and Recovery (CRP) with resources for 2012 of US\$2,553,875 and US\$766,660 for the Governance initiatives. The UN Capital Development Fund (UNCDF) and UNDP Financial Inclusion Programme also received a further US\$430,000 from AusAID for Financial Inclusion work in the Pacific that was administered through the UNCDF budget.

Pacific Centre Funding Partners for 2012 Amount (USD)



Since 2008, the Pacific Centre’s resources mobilisation strategy has yielded close to US\$34 million funding for UNDP implementation which includes US\$8 million provided to UNCDF for implementation by the Centre under the joint UNDP-UNCDF Programme. This compares with a regional core allocation of US\$9.5 million for the period 2008-2012 which means a resource mobilisation ratio of close to 1:4 for the Centre. A breakdown of the US\$43.5 million by development partners is shown below, with Australia and New Zealand combined 62% of the total with other UNDP and UN funding at 34% and other donors making up the balance.



For 2013 and beyond, the Centre has already secured agreements with AusAID for “core” funding of US\$6 million and “non-core” funding of US\$16 million covering the period 2013 to 2015 for Governance and Crisis Prevention and Recovery programmes.

**Staff Movement**

In 2012, the Pacific Centre bid farewell to a number of staff members. The Pacific Financial Inclusion Advisor and Project Manager, Tillman Bruett left the Centre to join UNCDF in Brussels. The Pacific Regional Governance Advisor and Project Manager, Ernesto Bautista joined UNDP in Laos. The Governance Institutions and Accountability Specialist, Charmaine Rodrigues was promoted to a position with UNDP’s Bureau of Crisis Prevention and Recovery in New York. Two Conflict Prevention Specialists also left the Centre: Thomas Shanahan and Cameron Noble. Portia Domonatani and Keleni Bolatagici departed the Pacific Centre. The Centre welcomed Reuben Summerlin as the Pacific Financial Inclusion Advisor and Project Manager. Moortaza Jiwanji resumed his work as Disaster Risk Management Specialist, after a year away on secondment in the UN Resident Coordinator’s Office in Indonesia. Adelle Khan, Akisi Tamani, Fane Cinavilakeba, Samita Singh and Leba Tuilawalawa joined the Pacific Centre as programme support staff. A number of students from American, European and Pacific universities were attached to the Pacific Centre during the year as interns.

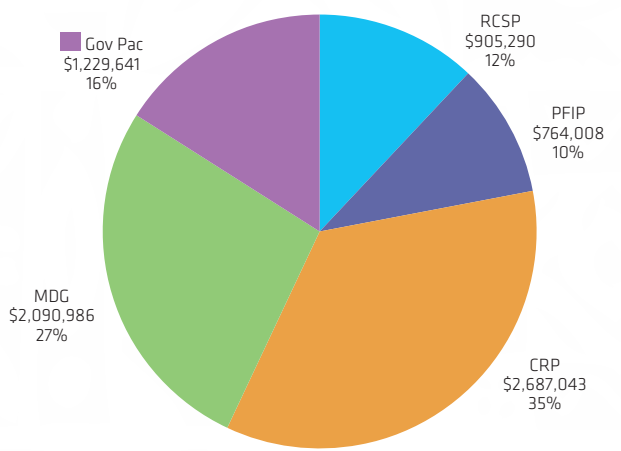
**Key Achievements of the Pacific Centre Practice Areas**

**Overall Pacific Centre Programme Delivery**

The total budget in 2012 was US\$9,421,742 made up of the regional core funding, UNDP Bureau of Crisis Prevention and Recovery, UNDP Bureau of Development Policy as well as a third party cost sharing funding from the Government of Australia.

The total expenditure as at 31 December 2012 stood at US\$7,676,969. While the delivery rate against budget for each project was different, at the year end the overall delivery rate for the Centre was 81% of the total budget. A more detailed breakdown of budget versus expenditure is shown in Annex 2.

UNDP Pacific Centre Expenditure Delivery as at 31 December 2012







## Key Highlights: Crisis Prevention and Recovery

### Pacific Approaches to Peace and Dialogue

Since its launch in 2009, the Strengthening Capacities for Peace and Development (CPAD) project of the UNDP Pacific Centre has steadily built up a Pacific community of peace practitioners and the impact of this work is starting to be felt on the ground. CPAD has been very successful in opening up space and helping sustain conversations about peace and development in the region while supporting civil society organisations to engage more effectively in peacebuilding.

Now in its third year, the project is making inroads towards advancing the theory and practice of Pacific approaches to dialogue. At CPAD's most recent workshop held in Honiara, Solomon Islands, country representatives identified common roles in effective dialogue in the Pacific, as well as began to define key terminology relevant to peacebuilding in the region. A compendium of case studies of dialogue processes in the Pacific region is currently under development.

National follow-up initiatives included activities in Fiji and Tonga. In Fiji, the CPAD project provided facilitation services for the strategic planning initiatives of several peacebuilding NGOs in determining strategic direction for Fiji's transition to democracy. Skills training were also provided to the Fiji Government in mediation and negotiation skills for governmental agencies working on land and mining/extractive industry-related issues. Trainings were also provided to religious leaders from around the Pacific on conflict analysis, trauma healing and conflict resolution skills through the Pacific Theological College. The training led to the addition of 40 new religious peacebuilders to the cadre of Pacific peacebuilders. In Tonga, support was provided to the CPAD Tonga participants - now organised into a National Peace and Unity Committee to design, convene and facilitate a National Consultation on Peace, Unity and Development in the Kingdom of Tonga to identify key issues of importance to advancing peace in Tonga and build cross-sectoral collaboration on these key initiatives. The Committee helped bring the recently reorganised Ministry of Internal Affairs on as the government's focal point for peace-related issues and to strengthen civil society-government collaboration on peacebuilding and unity endeavors.

### Towards a New Definition of Security in the Pacific

There has been a significant shift in the concept of security among Pacific Island countries from a state-centred approach to a people-centred or human security approach since 2006, supported by the UNDP Pacific Centre in partnership with PIFS. This shift recently culminated in the official welcoming by Pacific Islands Forum Leaders in their 2012 Communique of the Pacific Human Security Framework, which was jointly developed by the Pacific Centre and PIFS.

The Framework provides a common foundation and strategic guidance for improving the understanding, planning and implementation of human security approaches in stand-alone and broader peace, security and development initiatives in the unique Pacific context. It also aims to strengthen cooperation on human security and is supportive of and complementary to the Pacific Plan.

The process of transition to a human security approach was done over two stages. From 2006 to 2008, UNDP and PIFS at the request of the Forum Regional Security Committee (FRSC) undertook consultations in partnership with civil society and academia, carried out case studies in FSM, Kiribati, Samoa and Vanuatu, and conducted research to establish a theoretical foundation for the Framework including identifying human

security threats, existing capacities to respond to those threats, and approaches to strengthen human security. In 2008, the FRSC welcomed the theoretical work and requested that UNDP and PIFS shift their focus from theory to practical application. Between 2008 and 2012, UNDP and PIFS implemented a wide range of projects based on the theoretical foundation including tackling sexual and gender-based violence, women's involvement in peace and security, dialogues with civil society on security issues, capacity building of FRSC officials in conflict prevention, youth involvement in crime and violence, security sector governance, and land management. The experiences and results of project implementation on these types of issues informed the development of the Framework.

The period 2012 to 2015 will see the Framework being utilised as a guide for security and development interventions by Pacific Island countries and PIFS. In 2015, the FRSC will review the Framework. However, what is unmistakable is that the focus of security in the region has definitively shifted from a state-centred approach to a human-centred approach which will support better development outcomes for all.

### Security Sector Governance – Regional Intervention Leading to National Adoption

Since 2008, the Pacific Centre has been working with the target countries of Fiji, PNG, Solomon Islands, Tonga and Vanuatu to strengthen governance of the security sector. Despite political challenges in the target countries of PNG, Solomon Islands and Vanuatu, May 2011 saw the PNG Government through the National Security Council approve the development of National Security Policy (NSP). The NSP is strategically aligned with the PNG Vision 2050 Pillar Four - Security and International Relations, the PNG Development Strategic Plan 2010–2030 and the Medium Term Development Plan 2011–2015.

As a result of strong momentum in 2012, the policy is being developed under the leadership of the Office of Security Coordination and Assessment within the Department of Prime Minister and National Executive Council. Through nationwide consultations, the policy seeks to respond to a range of security challenges and provides a comprehensive framework to address these in a coherent manner. It prescribes how the Government of PNG will provide security for the state and its people. It further ensures a collective understanding of security needs, threats and challenges, national priorities, and the role of different actors to enhance coordination, identify capacities and resources needed to deal with security threats, improve oversight and accountability and provide a sound basis for any subsequent institutional reforms. The policy also provides the overarching framework for the realignment of the Defence White Paper, the Foreign Policy and other enabling policies related to security service delivery. The Pacific Centre continues to provide support to the reform of the security sector in PNG through the provision of technical and financial assistance.

### Women, Peace and Security

In December 2010, the Pacific Centre supported the establishment of a Pacific Regional Working Group (RWG) on Women, Peace and Security. The RWG is co-chaired by UNDP (Papua New Guinea Resident Coordinator), SPC and FemLINKPACIFIC, with secretarial support provided by the Pacific Centre's CPR Team. The Working Group was responsible for drafting the first ever Regional Action Plan for Women Peace and Security. The Plan, approved by the FRSC and acknowledged by Pacific Leaders, will guide the implementation of women's empowerment and engagement in conflict prevention and human security initiatives across the Pacific Region over the next three years. The Working Group, which brought together member states, the UN and civil society, was a pioneering collaborative initiative of a broad spectrum of stakeholders. The Pacific Regional Action Plan officially launched on 18 October 2012, provides a broad framework to assist Pacific Governments to develop relevant national programme and strategies on women, peace and security. It is critical to strengthen and sustain regional and domestic efforts by women's civil society networks working on peace and security issues.



### Preventing Gender-based Violence (GBV) in Post-Conflict Situations

In 2011, the Pacific Centre and UN Partners for Prevention (UNP4P) initiated an action research on gender-based violence (GBV) and masculinity in post-conflict Bougainville. The aim of the research was to provide a baseline on men and boys attitudes, a numerical and statistical representation of the nature and scope of GBV, identifying the association between individual and societal factors causing this violence and use this data as design of an evidence-based prevention intervention. The qualitative data collection component was completed in 2011 and the quantitative data collection by the end of 2012. This research will provide insights into why men engage in violence against women and will be used for preventive programming in Bougainville. The findings of the research will be discussed with the Government in March 2013.

### South-South Cooperation with the Caribbean to Improve Disaster and Climate Risk Management

The South-South Cooperation between Pacific and Caribbean SIDS on Climate Change Adaptation and Disaster Risk Management (South-South) project facilitates an exchange of knowledge and experiences between individuals and organisations in Pacific Island countries, and Caribbean small island states. In 2012, a five-member Pacific delegation participated at the Comprehensive Disaster Management (CDM) regional meeting in Jamaica and presented on catastrophe risk financing. 2012 also saw the completion of eight-month training for mid-level climate observer technicians from PNG, Samoa, Solomon Islands and Vanuatu at the Caribbean Institute of Meteorology and Hydrology (CIMH) in Barbados and a two-month secondment at the Caribbean Metrology Office and to relevant CIMH departments for hands-on-work experiences.

Other highlights also include the field visit by Caribbean experts from coastal management and hydrology fields to view innovative approaches to water resources management and sanitation in climate change adaptation undertaken by an atoll country the Pacific (Kiribati). The field visits have resulted into two spin off projects for on-the-ground South-South technical cooperation in Kiribati and submitted for the GEF Small Grants Programme as “strategic projects” seeking triple funding.

### Gender Mainstreaming in Disaster Risk Management

The guide on how to *Integrate Gender in Disaster Management in Small Island Developing States* was officially launched at the 2012 Pacific Platform Regional Meeting of disaster risk stakeholders. The guide is intended to provide national disaster management personnel with tools to identify and integrate gender into decision making and actions on the ground in every phase of disaster risk management.

The report has generated high demands and has been distributed to national disaster management offices, regional agencies and UN and NGO partners. A follow-up will be conducted in 2013 to determine how the publication has been used by practitioners.

### Rural Women Bringing Peace in Papua New Guinea

Education, commitment, sacrifice and full participation in the daily life of her community is the recipe for Lilly Be'Soer's success as a leader. Lilly recently brought about a peace agreement in a Papua New Guinea Highlands community which had been in conflict for the past four years, and in which four previous attempts to bring peace had been unsuccessful.

Lilly gave up her paid employment five years ago and returned to her village to work with women struggling to support themselves and their families. Working through the non-government organisation, Voice for Change, she came across many women who, like herself, had been displaced from their traditional lands.

“Voice for Change is supporting women who have been displaced from the community. Many of these women did not have food, could not send their children to school and had no land on which to grow food or bury the dead,” said Lilly.

*Lilly Be'Soer shares her story of bringing peace into a Papua New Guinea community fragmented by conflict.*



Last year, Voice for Change received a small grant under UNDP's Strengthening Capacities for Peace and Development (CPAD) project to support their work in mediating a peace agreement to end the conflict between the clans and pave the way for the return of the displaced clan to their ancestral lands. A total of 500 people had been displaced as result of the conflict.

Lilly said that in the past three years, various actors had made four attempts to resolve the conflict and while all were started they all failed.

"Voice for Change led the fifth reconciliation attempt. What we did was to have intensive consultations with the clans, the elders, the women and the men. These went on for six months. In one of our initial consultations we had presentations made by the displaced women to the policemen. As the presentations progressed and the women spoke about how they or their daughters were abused and how they could not pay for their children's education or get their sick children treated in hospitals, the faces of the men changed and they said that they had to do something to resolve the conflict."

Lilly described the challenges she faced in the reconciliation process, the length and complexity of the consultations as well as how traditional leadership structures and processes had to be respected to pave the way for the peace agreement.

"Now, we are just starting the return of the displaced clan," she said.

In addition to her work in the community, Lilly is also the General Secretary of the Highlands Regional Human Rights Defenders Network as well as a member of the newly established regional network of Women Human Rights Defenders. Lilly is now a single mother of six children having left a polygamous marriage. In 2010 Lilly was awarded a Pacific Human Rights Defenders Award.

## Key Highlights: Democratic Governance

### Supporting UNCAC Ratification and Implementation

The Pacific Centre continued providing support to Pacific governments and civil society and encouraging countries to work towards ratification of United Nations Convention against Corruption (UNCAC). To date, nine Pacific Island countries have ratified UNCAC, namely PNG (2007), Fiji (2008), Palau (2009), Vanuatu, Cook Islands, Marshall Islands (2011). In 2012, FSM, Nauru, and Solomon Islands ratified the treaty. The progress made throughout the region is the product of almost five years of continued advocacy by UNDP and its partners in the region.

UNCAC ratification is merely a first step in tackling corruption and UNDP has initiated in-country work to implement the Convention. In Tonga, the Centre partnered with the Commonwealth Pacific Governance Facility (CPGF) to support the Tongan Government in the development of a Freedom of Information (Fol) Policy and a phased implementation plan. This initiative directly supports Tonga in implementing Article 10 of UNCAC. The Centre further supported the setting up of an Fol Unit within the Tonga Ministry of Information and Communication that would be tasked with the coordination of the Fol Policy and act as a focal point for freedom of information requests from the public. Following a request from the Vanuatu Government, UNDP launched a similar initiative in that country. UNDP worked with national stakeholders under the guidance of the National Freedom of Information Committee to assist with the development of a draft Fol policy paper, a draft Freedom of Information Bill, and a draft implementation plan. The Bill is scheduled for submission to Parliament in 2013.

To mark Anti-Corruption Day on 9 December, the Centre provided small grants to governments and civil society organisations across the Pacific to help raise awareness of the need to address corruption. Partners, supported by UNDP, highlighted the impact of corruption on communities and ordinary citizens and outlined ways in which citizens and organisations can take a stand against corrupt behaviour.

Transparency Vanuatu organised debates involving school children and youth groups, and panel discussions on the impact of corruption on women and on using culture as a tool against corruption. The Tonga Broadcasting Commission aired radio and television awareness programmes in the lead-up to Anti-Corruption Day. Similar awareness-raising media programmes were also broadcasted in Kiribati, Marshall Islands and Palau. In the Solomon Islands, Transparency Solomon Islands held a peaceful march against corruption through Honiara town, followed by awareness raising activities.

### Strengthening Civil Society Capacity to Promote Accountability

In addition to and complementing support and assistance provided to governments, the Pacific Centre continued its efforts to strengthen civil society organisations in the region.

The publication of the civil society capacity assessment for the first time provides a comprehensive overview of key capacity constraints civil society organisations face in the Pacific and outlines the way forward for an evidence-based capacity-building approach for civil society actors. The capacity assessment was divided into three separate publications: *A Capacity Assessment of CSOs in the Pacific*; *A Country Assessment of CSO in the Pacific: Six Country Profiles*; and *A Capacity Development Plan for CSOs in the Pacific*.

A two-day training workshop on social accountability was provided to the Samoa Umbrella for NGOs (SUNGO) in May 2012. Support for a SUNGO-led proposal to produce a nation-wide citizen report card on the MDG achievements is underway. The Fiji Ecumenical Centre for Research, Education and Advocacy (ECEA) used the citizen report card tool to assess access to key services in three informal settlements in Fiji. The Centre provided technical assistance in analysing the findings resulting from the research tool and in integrating a rights-based approach.



A two-day workshop on anti-corruption was organised for 14 Pacific journalists during the 2012 Media Summit of the Pacific Islands News Association. The workshop focused on Freedom of Information as a key mechanism to expose and curb corruption and provided participants with examples from the Pacific and beyond on how journalists have strategically used investigative techniques as well as Freedom of Information legislation to report on corruption. The workshop enhanced South-South learning opportunities by providing a platform for Pacific journalists to share their expertise and skills. The workshop further provided participants with a deeper understanding on the link between human rights and corruption.

A one-day training on rights-based approaches to development was provided to Fiji-based CSOs in partnership with the European Union Delegation. The training demonstrated concrete ways of enhancing rights-based approaches for ongoing project initiatives from participants and received enthusiastic feedback.

### Advancing Women's Role in the Pacific

Progress towards gender equality and in particular women's participation in national decision-making processes in PICs remains a major challenge. Pacific Island countries have the lowest number of female parliamentarians in the world. FSM, Nauru and Vanuatu have no women in Parliament. As of December 2012, the Marshall Islands, Solomon Islands, Tonga and Tuvalu, had each only one female parliamentarian. The marginalisation of women in political decision-making persists despite continued advocacy work with policy-makers on temporary special measures to promote women's representation in political decision making. No Pacific Island country to date has enacted legislation that reserves a defined number of seats for women.

The Pacific Centre continued its advocacy on women's political participation and direct support to women candidates in 2012. It assisted the Office of the Department of Women and the UN office in PNG and organised a Practice Parliament for Women in April 2012. The Practice Parliament supported women candidates for the 2012 National Parliament elections by building their skills on Parliamentary procedures and rules, and by showcasing their potential to a broader audience. Three women were elected at the June 2012 elections, one of whom, Honourable Loujaya Toni, was a participant in the Practice Parliament. Margaret Loko, a participant and a candidate for a seat in the National Capital District, gave the following positive feedback about the Practice Parliament "The Practice Parliament was a real eye opener for the women who participated and we learnt the finer details about parliamentary procedures of law making that we can put to good use once we are elected into Parliament. I felt like an MP in action today!"

Further in support of gender equality in political participation, the Centre launched the Pacific Women in Politics website ([www.pacwip.org](http://www.pacwip.org)) as a knowledge-sharing portal for statistics, activities, news, publications, and partners that work to promote women in politics in the Pacific region. The website also acts as a platform to showcase the work of women in political decision-making positions. It is envisaged that the website will be further developed to support the specific needs of women candidates at national and sub-national levels, both in terms of campaigning support, as well as campaign fundraising.

Recognising that discrimination against women in the Pacific can only be effectively addressed through the reform and implementation of existing laws to create an enabling environment for gender equality, the Centre provided further technical assistance to the Cook Islands Government in revising the draft Family Law Bill. With the support of UNDP's Bureau of Development Policy, more targeted technical advice on legislative reform was also provided to Kiribati, Tonga and Tuvalu which are engaged in undertaking legislative reform with the assistance of SPC's Pacific Regional Rights Resource Team (RRRT).

In addition, the Centre has continued its innovative work of enhancing the implementation of legislation addressing gender-based violence through costing exercises. Building on the first costing exercise for the Cook Islands Government in 2011, the Marshall Islands Government requested the Centre's assistance in costing the implementation of the recently adopted Domestic Violence Prevention and Protection Act in 2012. The costing exercise which assessed costs for the law's implementation across all relevant Ministries over a three-year period was subsequently used by the Government for its annual budget allocation process. The Government succeeded in securing allocations from the national budget for the law's implementation.

### Enhancing Human Rights in the Pacific

The Pacific Centre in addition to its continued support to advance women's rights in the region, has stepped up its support to governments and civil society in furthering human rights, in particular, in economic and social rights, which are closely related to MDGs.

With regards to CSOs, the Centre conducted three two-day trainings that aimed at building the capacity of CSOs in documenting human rights situations and advocating for change at the national level. Two of the trainings (in Solomon Islands and Vanuatu) focused on economic and social rights and were provided to a total of 45 participants. The third training focused on the rights of sexual minorities, which links closely to the Centre's work on HIV/AIDS, and was provided to 13 NGO participants from across the Pacific region. All trainings received very positive feedback from participants.

As a result of these trainings and additional technical and financial support provided by the Centre, two human rights research and advocacy projects are underway and three additional proposals are currently under consideration. In the Solomon Islands, the NGO I Lukim Sustainability Solomon Islands (ISSI) is carrying out research on labour rights in small and medium size enterprises in Honiara. In Vanuatu, Transparency Vanuatu is documenting whether the Government's provision of school fee grants – aimed at abolishing primary level school fees – is reaching the parents and in turn leading to an increase in primary education enrolment. Based on the findings from this research, the Centre will provide further technical assistance to CSOs to analyse the data, and to design and implement advocacy strategies that are informed by the evidence gathered through the research.

In addition to support provided to CSOs, the Centre in cooperation with the Office of the High Commissioner for Human Rights, piloted a human rights impact assessment of trade agreement in Vanuatu. This pilot initiative was carried out following a research period on the inter-linkages between trade and human rights in the Pacific region and the publication of the UN guiding principles on human rights impact assessments of trade and investment agreements. The research undertaken to date showed the inter-linkages between trade and human rights and the considerable impact trade (including because of Pacific Island countries' reliance on imports) can have on people's enjoyment of their rights. The Centre finalized the desk-based human rights impact assessment of Vanuatu's World Trade Organization (WTO) accession package in 2012 with the aim of providing the Government with evidence-based information on how to mitigate predicted negative impact of the trade agreement as well as maximise potential benefits.

The Centre plans to continue its work on aligning trade agreements and policies with human rights norms and in partnership with the World Health Organization (WHO), SPC and the Pacific Research Centre for the Prevention of Obesity and Non Communicable Diseases (C-Pond), has started preparations for a regional workshop on aligning trade agreements and policies with public health concerns.



### Showing a Pacific Way Forward to Realise Human Rights

The Pacific is the region with the lowest number of ratified human rights treaties globally, and many countries have ratified only one or two out of nine core human rights treaties. In addition, Pacific Island countries generally have had limited engagement with international human rights mechanisms and very few civil society organisations are undertaking human rights monitoring and advocacy.

There are several reasons for this limited engagement. Often, Pacific Island countries with small administrations feel overburdened with the obligations that come with the ratification of human rights treaties. For example, countries need to submit regular detailed reports on what they have done to implement a human rights treaty. These reports require gathering of extensive evidence and data across ministries, which may not be easily accessible in these countries. Pacific Islanders have also voiced concerns that human rights are a foreign concept that undermines Pacific cultures and in particular it's strong community values.

The *Pacific Handbook on Human Rights Treaty Implementation*, published jointly by UNDP Pacific Centre and the Office of the High Commissioner for Human Rights, addresses such fears and gives a platform to Pacific Islanders on how human rights can be reconciled with the Pacific's distinct cultures. In the words of the former Fiji Vice-President Ratu Joni Madraiwiwi: "Culture

UNDP Deputy Assistant Administrator Nicholas Rosellini shows the Handbook to the Pacific Islands Forum Secretariat Secretary General, Tuiloma Neroni Slade.



and human rights both concern rights. Human rights are understood to be the rights that are innate and inherent to each of us as individuals. Customary, traditional and cultural rights relate to our social mores as a distinct people of community. They include the ownership of the land and natural resources, folklore, traditional knowledge and social systems. Both these species of rights belong to us by virtue of who and what we are. It follows that we will need to balance them with each other, if we wish to derive benefit from both."

The limited engagement of Pacific Island countries with human rights mechanisms started changing in recent years during which Pacific Island countries ratified additional human rights treaties, invited several UN Special Rapporteurs to investigate human rights issues and sought active engagement with human rights mechanisms. This has created a momentum for progress on human rights implementation in the region.

The *Pacific Handbook on Human Rights Treaty Implementation* can act in this context as an invaluable tool to further build on that progress. Pacific Island countries tend to face similar challenges when it comes to implementing human rights treaties and are therefore also more susceptible to adopting similar solutions. That is the approach taken by the Handbook, which is full of illustrative examples from across the Pacific that showcase what countries can do to implement human rights treaties at the national level.

For example, it highlights legislative reform efforts that have been undertaken to address gender-based violence or discrimination on the basis of sexual orientation; it shows examples of countries that have reached out to civil society to implement recommendations coming out of UN human rights mechanisms; and it gives examples of countries that have adopted action plans, gathered systematic data, set up coordination mechanisms, or have allocated budgetary resources for the implementation of human rights. In short, it's a tool full of illustrative examples of what Pacific Islands can do to further human rights and where they can receive assistance.

At the launch of the Handbook in the lead-up to the 2012 International Human Rights Day, UNDP Deputy Assistant Administrator Nicholas Rosellini remarked: "The Handbook includes examples of concrete initiatives Pacific Island countries have undertaken to implement human rights treaties. And as such can help countries learn from each other and provide the introduction to potential South-South cooperation where countries interested can propose technical exchanges to learn first-hand how others have followed through after ratification."

Besides these concrete examples, the Handbook also provides in-depth and easily accessible information about the main UN human rights mechanisms, ways of engaging with them, as well as a human rights glossary that explains the most common human rights terms. It is a comprehensive and accessible resource for any Pacific Island stakeholder committed to further human rights. The Handbook can be accessed from the Pacific Centre website.



## Key Highlights: Poverty Alleviation and Achievement of the MDGs

### MDGs Advocacy and Promoting Social Accountability

The Pacific Centre has continued its role of promoting social accountability and a civil society role in monitoring the performance of achieving the Millennium Development Goals (MDGs). Programmes that reach out to schools have been used to promote the MDGs in Fiji and Palau. Comprehensive policy analysis, the production and dissemination of vital statistics for MDGs and UNDAF indicators for monitoring purposes, provide Pacific Island governments with a range of policy options and ensure that sectoral and provincial policies and plans reflect national development priorities and MDGs acceleration. In 2012, stakeholders in Samoa and Vanuatu were trained on policy formulation and planning, including gender issues and macroeconomics.

UNDP supported the preparation of the 2011 and 2012 Regional MDGs Tracking Reports through participating in the technical and editorial working groups as well as providing substantial inputs. UNDP joined PIFS, SPC and AusAID in an effort to update SPC regional MDGs database and ensure the consistency and accuracy of up-to-date data across UNDP, Council of Regional Organisations of the Pacific (CROP) agencies and other regional organisations. UNDP produced the Vanuatu 2012 Poverty Report. The Report utilises the wealth of information provided by the 2010 Household Income and Expenditure Survey to analyse poverty, vulnerability and income distribution trends. The report monitors the progress in achieving MDG 1 targets during the period from 2006 to 2010 through comparative analysis of the 2006 and 2010 HIES.

### Developing Inclusive Growth and Trade Policy Options

In an effort to help countries address the challenges of development, the Pacific Centre in 2012 developed policy to enhance inclusive growth and formulation of a trade, commerce and manufacturing sector plan for Samoa to guide the country's next National Development Strategy (2013-2023). The Centre also provided technical assistance to the formulation of Samoa's first Foreign Trade, Commerce and Manufacturing Centre Plan (2012-2016). The exercise aimed to provide the Government of Samoa with a range of policy options to enhance inclusive growth and accelerate progress towards the achievement of the MDGs while strengthening the focus on the private sector, with more emphasis on youth and women entrepreneurs. The Plan also enhances the linkages between the manufacturing and trade sectors, and the primary production sectors (e.g. agriculture, fishery and forestry), to increase income generating opportunities and sustainable livelihoods for the rural population and strike a balance between subsistence and commercial primary production.

UNDP also provided crucial technical and financial support in the preparation and implementation of Vanuatu's first Industrial Policy and Roadmap to improve the contribution of the manufacturing sector to development. This Policy marks a shift in the Government's policies to support the private sector, from general incentives and tax holidays to more targeted and selective support, particularly to women and youth, that is tied to performance and enhancing access to finance, technology, mentoring and marketing. Vanuatu's new industrial policy includes a Roadmap aimed to boost the contribution of the manufacturing sector and reduce the country's chronic trade deficit by building on their natural comparative advantage and traditional knowledge to produce high value-added products for niche markets. In the context of implementing the industrial policy, UNDP established a system for monitoring the business environment and the cost of doing business in Vanuatu.

### Support to Pacific Islands Private Sector Organisation (PIPSO)

In 2012, UNDP continued its partnership and institutional capacity building with the Pacific Islands Private Sector Organisation (PIPSO). Technical advice and support to PIPSO included jointly organising three sub regional workshops on engaging the private sector to accelerate the MDGs in the Pacific. One of these was the Melanesian Workshop (for Fiji, PNG, Solomon Islands and Vanuatu) which focused on supporting women in business in the value chain and inclusive market development and strengthening Pacific women in business associations. The Centre's initial technical and institutional support to PIPSO has resulted in donors providing programming and core funding support to PIPSO each year.

The Pacific Centre's initiative to support the first regional trade expo 'Trade Pasifika' had helped in intra- and inter-regional trade and provided an opportunity to showcase Pacific businesses with their products and services. Some 55 small and medium enterprises across the Pacific participated including women entrepreneurs. Trade Pasifika has been termed by the private sector as a most important and successful intervention, in not only providing trade opportunities, but also in establishing linkages and networking for regional and international trade. The three-day event offered a combination of product and services exposition and targeted knowledge talks from trade, export and import specialists.

### Women's Economic Empowerment

As part of the Women's Economic Security and Rights Initiative, the Pacific Centre implemented the Millennium Markets: One Market One Country Project in collaboration with UN Women. This pilot initiative in Rakiraki, Fiji focused on providing legal, socio-economic and financial empowerment and development opportunities to women market vendors in the informal economy. The project also supported the development of social protection mechanisms and strengthening of the capacity of local governments and town councils to respond better to the needs of the women vendors. After successful implementation and favourable evaluation the Centre plans to roll out this initiative in the Solomon Islands and Vanuatu in 2013.

### Promoting Public Private Partnerships in the Pacific

A Regional Private Public Partnerships Roundtable was organised jointly by the Pacific Centre and the Asia Pacific Regional Centre in Bangkok, Thailand in partnership with the Commonwealth Local Government Forum, PIPSO and the AusAID Pacific Leadership Programme.

Pacific Island countries including Fiji, Kiribati, Palau, PNG, Samoa, Solomon Islands and Vanuatu participated at the Roundtable and was attended by more than 90 private sector representatives, national and local government officials, development partners and members of the civil society from around the Pacific. It examined how to develop partnerships between the public and private sectors that can lead to economic growth on a local level. Experiences from the Caribbean, Bangladesh, Nepal, New Zealand and Philippines, were shared at the meeting. The Roundtable's key focus was on the importance of pro-poor PPPs in accelerating the MDGs through improved economic and social services delivery for local economic development.

### HIV, Health and Development

Despite HIV and AIDS not being widespread in Pacific Island countries, stigma and discrimination is hampering an effective response to it and puts people living with HIV at risk of human rights violations. In 2012, a priority of the Pacific Centre was to address the legal barriers to an effective HIV response in the Pacific. A technical assistance project was developed in close collaboration with the UNDP Samoa Multi Country Office to help the Cook Islands Government draft a human rights-based HIV Bill. Support was also provided for national HIV/AIDS policy development in Fiji, PNG and Vanuatu.

A Transformational Leadership Development training course, with 65 Church leaders and major theological schools in Fiji and Tonga was also held to reduce the stigma and discrimination in HIV/AIDS. The Centre partnered with the UN Programme on HIV/AIDS (UNAIDS) and the South Pacific Association of Theological Schools (SPATS). At the sessions participants discussed subjects like the scientific basics of HIV and AIDS, analysed the disease and its implications, heard the testimonies of and interacted with people living with HIV and learned tools to assist them in raising the awareness of their church members.

The Pacific Centre also collaborated with WHO and SPC for joint work on inter-sectoral approaches to non-communicable disease (NCD) epidemics.



## Climate Change, Energy and Environment

In 2012, the Pacific Centre provided support for the development of national climate change policies and better access to climate finance in the Cook Islands, Nauru, PNG and Samoa. It also increased its focus and commitment to renewable energy in the Cook Islands, Fiji, Palau and Tokelau. The publication, *Green Transformation in the Energy Sector* and the Energy Sector Review for the SPC Independent External Review were also completed.

Samoa has joined Cambodia, Bangladesh, Nepal and Thailand in launching a Climate Public Expenditure and Institutional Review (CPEIR). A team from the Pacific Centre, UNDP Samoa Multi-Country Office and the Overseas Development Institute met with representatives from the Government of Samoa to initiate the assessment of current policy priorities and strategies as they relate to climate change and the extent to which these strategies and policies are coherent with national development, poverty reduction and economic growth strategies. The study reviewed institutional arrangements for promoting an integration of climate change policy priorities into budgeting and expenditure management, including within and across key ministries, local governments and stakeholders, and reviewed the integration of climate change objectives within the budgeting process. The CPEIR provided the Government of Samoa with detailed analysis and recommendations for accessing and managing climate finance.

There is growing consensus that if developing countries “directly access” climate financing, this will result in more effective financial delivery, and promote greater country ownership of climate adaptation and mitigation initiatives. The Adaptation Fund is at the forefront of climate related global funds in providing direct access for governments through National Implementing Entities (NIE). The Cook Islands Ministry of Finance and Economic Management (MFEM) requested UNDP support in anticipation of its application to the Adaptation Fund as a NIE. In partnership with the Samoa Multi-Country Office, the UNDP Pacific Centre Regional Climate Change Policy Advisor along with the Global Coordinator of the Boots on the Ground programme provided a capacity assessment of the proposed NIE. The anticipated outcome is that the Cook Islands MFEM will be accredited as an NIE which would allow Cook Islands to directly access the Adaptation Fund for climate change adaptation programming.

The UNDP has also provided technical assistance with the design of the SIDS DOCK Initiative leading to a US\$2 million Pacific component. The initiative, among member countries of the Alliance of Small Island States (ASIS), aims to provide Small Island Developing States (SIDS) with a mechanism to assist them transform their national energy sectors into a catalyst for sustainable economic development and help generate financial resources to address adaptation to climate change.

## Cash and Confidence for Women Market Vendors

Kamla and Seravina are part of a group of women market vendors in the small rural town of Rakiraki in Fiji who are now doing business differently.

Kamla has started adding value to products for sale and increased her income. Seravina has used newly acquired financial management skills to provide her daughter with tertiary education and has mobilised other women market vendors to form a savings group. Both were part of a capacity building programme targeting women market vendors to strengthen their economic security and rights.

A UN research compiled the socio-economic profile of market vendors in Fiji, showing that about 80 percent of market vendors in the western part of Fiji are women, with average weekly incomes ranging from US\$71-141.

Approximately 60 percent of market vendors grow their own produce for sale and mainly sell vegetables, root crops and fruits. The vendors work 10-hour days, six days a week. Vendor incomes in Fiji fluctuate quite a bit depending on several factors like the supply and quality of produce.

*Seravina has paid for her daughter's secondary school education with her earnings from the market*





The Strengthening Women's Economic Security and Rights: Capacity Building Programme for Women Market Vendors benefited 300 women and is facilitated by UNDP in partnership with the Rakiraki Town Council and the local Market Vendors Association. The Project had a multi-pronged approach – improving the Town Council's income generation and management capacity, working with women market vendors to improve their business skills and strengthening the governance of the market vendors association. Improving the governance of the Association was important for ensuring the views of women are heard and presented as priorities to the Council and more women are involved in leading and managing the Association.

Women market vendors attended a nine-week training programme starting in March, 2012. The training, conveniently structured into one and half hour long sessions to fit around their schedules was delivered in the English and vernacular languages. It covered areas such as business skills, budgeting, savings and women's rights.

"I have only attended school up to Class 5. This training was a great help to me as I did not know anything about running a business or financial management before," said 56-year-old Seravina, speaking in the iTaukei language.

Seravina lives in a small village, an hour's drive from the Rakiraki market. She pays US\$5 one way to reach the market where she sells root crops and bananas.

"Through the training, I have been able to manage my income and pay US\$1600 for my daughter's tertiary education. I am very proud of this!"

Seravina is also a key mobiliser of a local women market vendor's savings group.

"The members of the savings group were all part of the training. I have created this group so that women can save money on a regular basis through the business skills we learnt."

A bonus for Seravina from the training is her new found confidence, demonstrated by the ease with which she addresses public meetings and mobilises women market vendors.

Fifty-three-year-old Kamla supports her two children and retired husband from her earnings at the market. She admits that she has seen an increase in her earnings since she has started presenting vegetables differently. She is now able to save between US\$5-10 per week.

"Before the training, when I sold jackfruit, I would sell it in pieces. One large jackfruit could give me four pieces. Now, I prepare the jackfruit differently. I cut the larger piece into smaller pieces, ready for cooking. I have seen that this has increased my sales," said Kamla.

Jackfruit is a popular vegetable used for curries by the local population. The flesh of the freshly cut vegetable is sticky and requires special attention and time for preparation before cooking.

Kamla buys fruits and vegetables for sale and also uses produce from her backyard garden.

Speaking about what had changed at the market since the start of the programme, she is quick to point out that the market is cleaner and has provided additional space for vendors like her who used to sell outside the market building, under the old mango tree. She also adds that the market now provides clean lavatory facilities, managed by a janitor which is welcome change from the situation before.

Seini Raiko, the Special Administrator of the Rakiraki Town Council, is pleased with the changes being brought about through the programme.

"The Rakiraki Town Council has seen an increase in its income. This is because market vendors are no longer lagging behind on their payment. The women market vendors are also enthusiastic about their businesses. The presentation of their stalls and their customer interaction has changed. Many have started saving and all have shown more commitment to being involved in the running of the local market vendors association," said Ms Raiko.

The success of the project in Rakiraki has generated much interest in other town councils in Fiji. UNDP will replicate this project in two other rural markets in Fiji. The project is part of a larger Millennium Markets project run by UNDP through its Pacific Centre in partnership with UN Women.



*Kamla supports two children and her husband with her earnings from the market*



## Key Highlights: Financial Inclusion

### Policy, Advocacy and Coordination

In 2012, through the work of the joint UNDP and UNCDF initiative, the Pacific Financial Inclusion Programme (PFIP), a strong partnership with central bank governors in the region was maintained through the Alliance for Financial Inclusion (AFI) and its Pacific Island Working Group (PIWG). The partnership yielded significant advancement for financial inclusion in the region. Five central banks participated in a PFIP-funded review of the trust deed arrangements for e-money issuers, which resulted in recommendations for improvement that PIWG members will address in 2013. In June 2012, PFIP, AFI and the Asian Development Bank hosted a Microinsurance Regulators Workshop to introduce best practices for inclusive insurance regulation. Regulators from seven countries, including six PIWG members, attended. Six central banks then drafted and approved national microinsurance action plans; implementation will be coordinated through PIWG to optimise synergies and learning between the countries. In June, PIWG members undertook a knowledge exchange visit to Malaysia to learn about financial inclusion data collection systems. The ultimate aim is to determine what is needed in order to replicate similar systems by members. Finally, at AFI Global Policy Forum, the central banks of Solomon Islands and Vanuatu pledged commitment to the Maya Declaration on Financial Inclusion. PFIP served as technical advisor to the PIWG and will continue to do so in 2013.

At the country level, the Reserve Bank of Vanuatu was supported to design and host a National Financial Inclusion Strategy Workshop, bringing together national and international stakeholders from the public and private sectors to discuss financial inclusion in Vanuatu. The workshop resulted in the development of a National Financial Inclusion Strategy, as well as a National Financial Inclusion Task Force (NFIT), and PFIP was asked to be a member. PFIP continued to be an active member of both the Fiji and Solomon Islands NFITs.

### Scalable and Replicable Project Highlights

In 2012, work was undertaken with a wide range of partners in both private and public sectors to advance and expand microfinance and microinsurance coverage. Low-fee bank accounts, coupled with innovative agent-banking channels were introduced in Fiji, PNG, Solomon Islands and Vanuatu which allowed the partners to reach 247,412 previously unbanked clients. PFIP assisted an international insurance company to launch the first community-based microinsurance scheme in the Pacific in Fiji by teaming up with community- and religious-based organisations to offer funeral coverage for as low as FJ\$14 per year. PFIP partners introduced the world's first biometric ID system for international money transfers in Tonga, and launched Near Field Communication (NFC) systems to the Pacific, allowing customers to make purchases easier from their mobile wallets.

### Financial Capability Promotion Highlights

As a leading technical advisor in the area of financial literacy and capacity building, PFIP continued to provide valued support and assistance both inside and outside the Pacific region. PFIP's National Task Manager, FinEdFiji was a resource speaker on financial education at the Organisation for Economic Cooperation and Development (OECD) Central Bank and Financial Literacy Workshop, held in the Philippines, where central banks from Asia and four Pacific Island countries participated. Comprehensive financial competency survey reports were published for Fiji and Samoa, which served as the basis for stakeholder workshops that yielded national strategies and action plans to improve financial capacity in both countries. Work is underway for similar reports and workshops in PNG and Solomon Islands. The pilot for Fiji's financial education project was successfully completed. As it is rolled out in 2013, in all 910 primary and secondary schools in the country, 197,000 students will be exposed to personal money management and investment within schools on an annual basis. To complement this work, PFIP facilitated the introduction of the Cha-Ching Programme, an innovative financial edu-tainment TV programme developed following the global financial crisis, to Fiji through brokering an agreement between Prudential Asia and Fiji TV.

### Knowledge Gathering and Knowledge Sharing

An active learning agenda was maintained in 2012. Five participants (three central bank staff and one Micro Finance Institution manager) were supported to attend the Boulder Institute of Microfinance training held in Turin, Italy. Three focus notes were published on various aspects of microinsurance, three blogs on mobile money were published on respected industry websites and a number of key training activities were sponsored for regulators and financial service providers. Intensive research projects focusing on microinsurance (Fiji and PNG) and financial competency (Fiji, PNG, Samoa and Solomon Islands) were conducted, with results released. Further a financial diaries project has begun in PNG which will provide detailed insights into the financial activities of low-income households over a 40-week period. PFIP continues its role as an information clearinghouse for all things financial inclusion in the Pacific region.

### Financial Inclusion and Gender in the Pacific

The Pacific Financial Inclusion Programme (PFIP) includes specific gender targets which must be met by both the Project and its private sector partners. The financial competency study focused on assessing the competency of women by soliciting information independently of men within low income households in rural Fiji. It highlighted that women are more competent in household financial management like budgeting and manage the household finances better. However, they have less awareness, information and access to financial tools and products.

In September 2012, a National Strategy Workshop was led by the Reserve Bank of Fiji to share the findings of the study where an important policy outcome was achieved. It was decided that educating and training women on financial tools and products will form a critical component of the National Financial Inclusion strategy of Fiji and targeted financial literacy programmes that will be delivered to enable women to get access to financial products and tools. Similar financial competency studies have been carried out in PNG, Samoa and Solomon Islands. PFIP is currently working with the central bank in each country to share the findings and initiate appropriate policy responses through national workshops by bringing together both private and public sector stakeholders.

Women are a major target of financial inclusion programme



In the areas of research, PFIP focuses on understanding both the competencies and the long term financial behaviour of women. To this end, PFIP launched the first of its kind initiative in the Pacific called the Financial Diaries project which seeks to understand the financial behaviour of 264 low income households including women and men across three provinces in PNG – Central, Eastern Highlands and West New Britain. This research captures how women and men respond differently and cope with unexpected events and differ in their engagement with a range of formal and informal financial products and transactions over a long-term period of 40 weeks.

An important outcome of the research will be to lay the foundation for designing appropriate products targeted at women and men and to help the central bank initiate appropriate policy responses to enable private sector players to deliver products to the segment. Similar research was carried out in the Solomon Islands for a shorter period in three markets to understand women market vendors' entire range of financial interactions including income and expenditure and their impact on savings and their needs, awareness and preference for financial services.

In providing training opportunities, PFIP has taken care to address gender equality, from training 50 women market vendors in Rakiraki about microinsurance in Fiji, to a regulatory workshop on insurance where 45 percent of the participants were women from central banks across seven countries, to training 300 women on microinsurance at microfinance expos across different provinces in Fiji. All the six field researchers used for the market vendor survey in Solomon Islands were women and 50 percent of the financial competency survey and financial diaries field researchers trained are women.

Unprecedented high level policy support for creating inclusive financial sectors, proving equal access by low income women and men to sustainable and responsive financial services and financial education, is embodied in the 2020 Money Pacific Goals which have been endorsed by Pacific Forum Ministers of Finance and Education and the six Pacific Central Bank Governors in 2009.

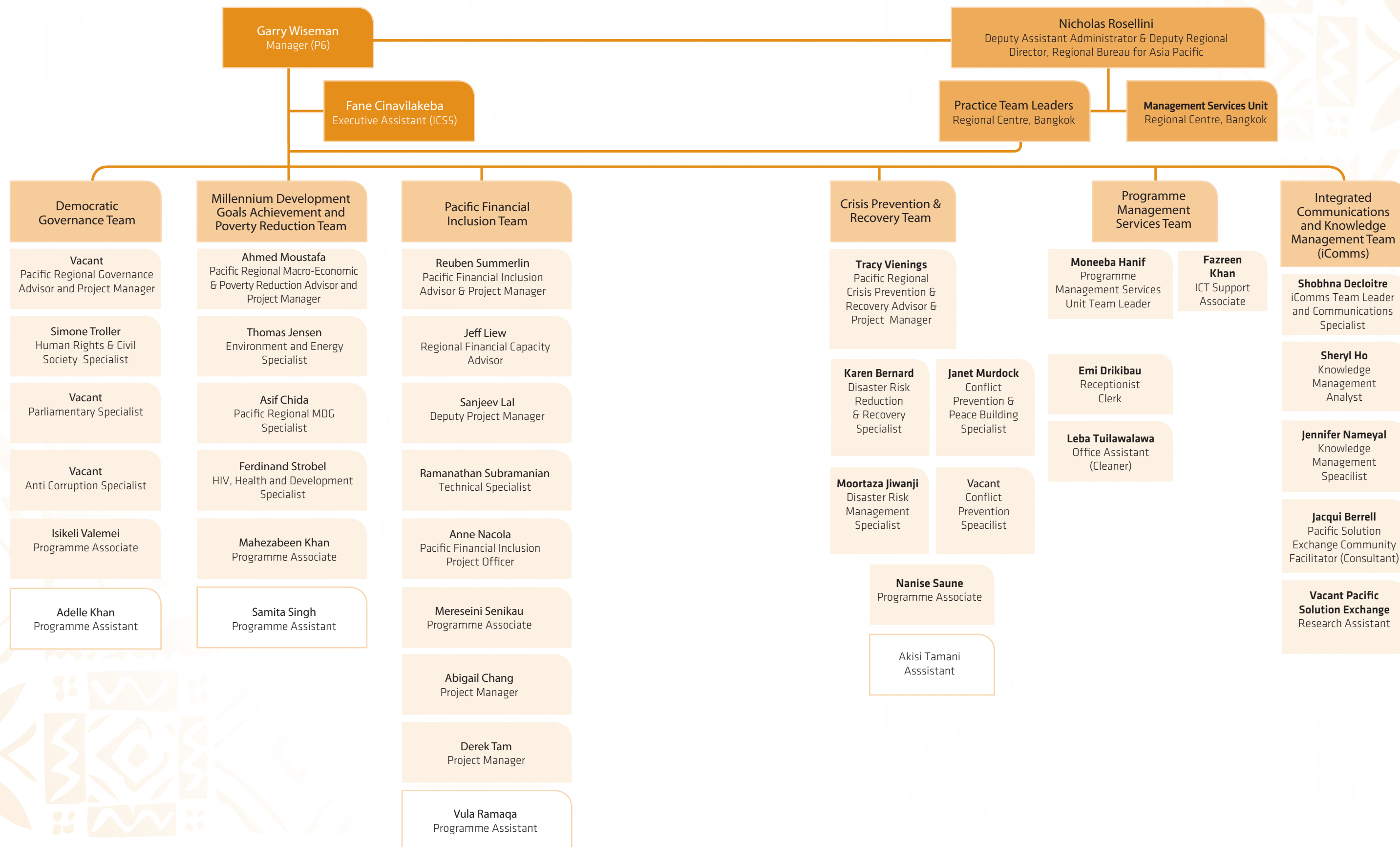




# Annex 1

## UNDP Pacific Centre Organisational Chart 2012

(as at December 31<sup>st</sup>, 2012)





## Annex 2

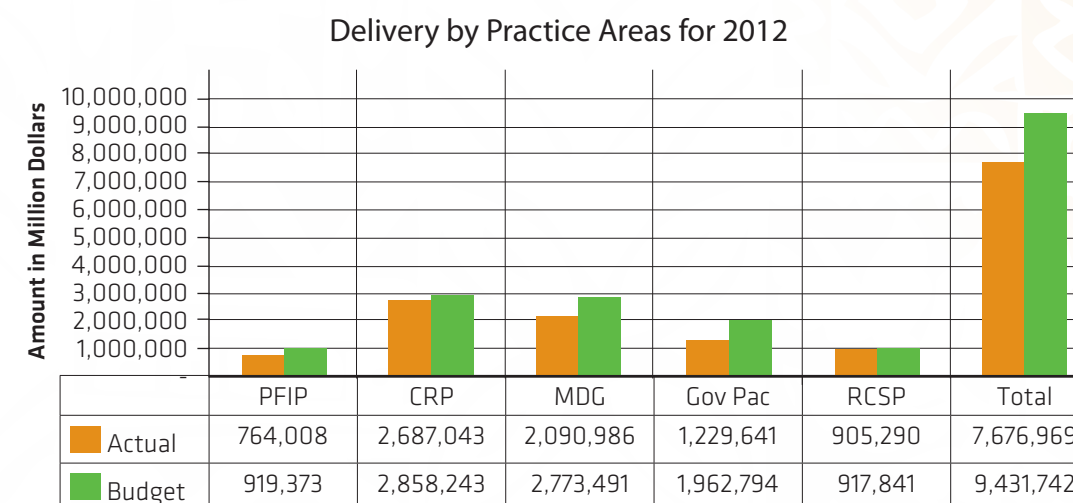
### Financial Report as at December 31st, 2012

Pacific Centre Financial Delivery Report for 2012					
Award Number	Project Name	Source of Funds (US\$)	Total Budget	Total Expenditure	Delivery Rate %
00036482	Regional Centre Support	Core (TRAC)	412,000	412,000	100%
		XB funds	505,841	493,290	98%
	Sub Total		917,841	905,290	99%
00048491	Governance in the Pacific	Core (TRAC)	275,752	275,752	100%
		AusAID	1,543,916	908,520	59%
		NZAID	86,627	30,937	36%
		UNDP	56,500	14,433	26%
	Sub Total		1,962,794	1,229,641	63%
00048498	MDG's in the Pacific	Core (TRAC)	448,000	414,701.43	93%
		AusAID	1,865,781	1,270,595	68%
		NZAID	207,487	192,554	93%
		UNDP	252,223	213,136	85%
	Sub Total		2,773,491	2,090,986	75%
00048493	Crisis Prevention & Recovery	Core (TRAC)	299,000	286,913	96%
		AusAID	2,326,896	2,184,755	94%
		NZAID	14,718	6	0%
		UNDP	20,034	19,768	99%
		BCRP	115,986	114,946	99%
		Japan	81,609	80,655	99%
	Sub Total		2,858,243	2,687,043	94%
00048515	Pacific Financial Inclusion Programme (UNDP)	Core (TRAC)	62,500	62,500	100%
		AusAID	804,410	655,641	82%
		NZAID	52,462	45,867	87%
	Sub Total		919,373	764,008	83%
Grand Total for UNDP programmes			9,431,742	7,676,969	81%



## Annex 3

### Delivery by Practice Areas









*Empowered lives.  
Resilient nations.*

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