

# **Sub-regional programme document for the Pacific Island Countries and Territories, 2013-2017**

**Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu and Vanuatu**

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## I. Situation analysis

1. Key growth sectors in the Pacific Island Countries and Territories are commercial fisheries, agriculture, tourism, and small-scale manufacturing. The countries and territories have endeavoured to expand their economic bases by investing in mineral resources extraction, forestry, and oceanic fisheries. As widely scattered island groupings in the Pacific Ocean, they face severe development challenges due to their relative isolation and their vulnerability to climate change, rising sea levels, high energy costs and a range of other disasters. The economies of Polynesia<sup>1</sup> and Micronesia,<sup>2</sup> which are generally smaller and less endowed with natural resources than those of Melanesia,<sup>3</sup> remain dependent on remittances and development assistance. Recognizing the unique features of the subregion, UNDP will support country-led development efforts through this programme document, focusing on increased coordination among UNDP Pacific offices and strengthening linkages between country-level and subregional initiatives.

2. In recent years, the global financial and economic crises have led to lower economic growth and reduced government revenues, resulting in an increasing debt burden and cost of living, job losses, and reduced remittances. Geographical distances make the region susceptible to energy, food and commodity price fluctuations, compounded by a small domestic fiscal base, attendant reductions in expenditure on health and education, and the effects of climate change. Globally, small island developing States are 33 per cent more vulnerable to external economic shocks than other developing countries; over 12 times more exposed to oil-related price shocks; and, structurally, at least 8 per cent more vulnerable to climate change. In the Pacific, smaller countries and territories also face depopulation and capacity constraints that hamper the ability of governments to provide services, calling for a revisitation of traditional approaches to capacity development since the shrinking population nevertheless requires provision of the whole range of development services. In addition, while many countries in the region continue to rely on remittances and official development assistance, systematic and enhanced implementation of the Cairns compact on strengthening development coordination in the Pacific, and of the Busan declaration on new global partnership for development remains an important priority for increasing development effectiveness and realizing national, regional and internationally agreed development goals.

3. Despite a lack of reliable socioeconomic data for some countries, the period 2008-2012 saw significant progress towards the achievement of the Millennium Development Goals across the region, opening the way for the graduation of some countries from 'least developed' status. In particular, Cook Islands, Niue and Palau recorded the strongest progress in reducing child mortality, achieving universal education and improving maternal health. Furthermore, Cook Islands, Fiji, Samoa, Tonga and Vanuatu incorporated Millennium Development Goals, pro-poor and gender-responsive approaches into their national and sectoral plans and budgets, although a concerted effort is needed in the region to accelerate the realization of targets for poverty reduction, environmental sustainability and gender equality. Close to one third of the population lives in poverty, an estimated increase of 5 per cent since 2007. While governments have scaled up efforts to improve the provision of basic services, access is uneven between and across various regions in the same country and in some cases is not proportionate to government income levels. This highlights the need to improve the quality of services as well as equal access to them, particularly in remote areas. These issues are exacerbated by the

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<sup>1</sup> Cook Islands, Niue, Samoa, Tokelau, Tonga and Tuvalu

<sup>2</sup> Federated States of Micronesia, Kiribati, Marshall Islands, Nauru and Palau

<sup>3</sup> Fiji, Solomon Islands and Vanuatu

‘youth bulge’ (40 per cent of the Pacific population); high and persistent unemployment, particularly among the young (20 per cent); and increasing migration of young people to urban areas.

4. In the area of governance, the Cook Islands, the Federated States of Micronesia, Fiji, the Marshall Islands, Palau and Vanuatu acceded to the United Nations Convention against Corruption, and there is greater commitment in the region to strengthening parliaments and increasing the political empowerment of women. Overall, however, governance institutions and frameworks have not effectively voiced the concerns of all citizens, and the avenues for civil society to engage in decision-making remain inadequate. Many of the countries and territories show ineffective oversight by the legislatures and largely absent legal frameworks and institutionalized mechanisms for human rights protection (such as national human rights institutions). Corruption continues to be a major challenge, while oversight and regulatory institutions, such as the Offices of Ombudsman and Auditor General, are often ineffective and poorly resourced. Last but not least, while a long tradition of peace and stability characterizes the subregion, there is an increasing incidence of social and ethno-religious tensions and conflict, crime and violence. In response, the countries and territories seek to address the factors underpinning conflict and instability, such as: unequal distribution of benefits from development, including resource extraction; inadequate land management and tenure systems; unemployed and alienated youth; migration; and urbanization.

5. Gender inequality –manifested in widespread gender-based violence, women’s limited decision-making and leadership opportunities, and lack of economic empowerment and poverty of opportunity – remains significant across the Pacific. Some root causes can be found in cultural traditions, lack of education and awareness – and lack of time, because of many social and family responsibilities that are already shouldered by Pacific women. The impact of overseas employment, migration, and the extractive industries – which are often dominated by men – add to the economic and social vulnerability of women. Women have limited access to justice, with inadequate or outdated legal frameworks and an absence of protection and redress mechanisms. Current political and electoral systems favour men, and cultural stereotypes often rank women lower than men in society. Although some of the countries and territories are taking steps to increase the numbers of women parliamentarians, including through consideration of temporary special measures (in Samoa, for example), women’s participation in political leadership in the region is among the lowest in the world, with less than 5 per cent women parliamentarians. In traditional chiefly systems the trend is similar, with only 5 to 10 per cent of high-ranking chiefly titles held by women. In terms of economic activity, women are heavily involved in the informal sector as vendors of agricultural products and locally produced foods and handicrafts, and need support through legislation and policies that protect labour rights, enhance their ability to engage more effectively in the economy, and increase household-level security. Despite the important role women have in the informal sector, they are often excluded from local authority decision-making, the management of markets, and control over land and other assets.

6. Protection and conservation of the environment are ever more important because of the effects of climate change – such as rising sea levels – and ocean acidification, as well as large-scale forest logging, commercial agriculture and associated land clearing, which threaten the sustainability of natural resources. The marine environment is under threat despite the implementation of coastal management strategies. Up to 50 per cent of the biodiversity of the subregion is at risk, and there is concern about the sustainability of the Pacific fisheries due to the difficulty of controlling the operations of foreign fishing fleets, which severely affect the livelihoods of the island communities.

7. In this disaster-prone region, cyclones accounted for 76 per cent of reported disasters between 1950 and 2004, followed by earthquakes, droughts and floods. In a typical year, natural disasters affect more than 40 per cent of the population in some of the countries and territories, often reversing hard-won development gains, especially for women. Natural disasters are intensifying as a result of the increasing impact of climate change. Leveraging environment and climate funding, the countries and territories have stepped up their activities in climate change adaptation and mitigation and in integrating disaster risk management into national and sectoral planning. Several aim to become carbon neutral during the next decade. However, even with increased adaptation and mitigation responses, building on indigenous coping mechanisms, there remains a risk that a disproportionately large part of the population could be displaced and their livelihoods lost, particularly in the atoll nations.

## **II. Past cooperation and lessons learned**

8. According to the *Assessment of Development Results, 2011*, the UNDP Pacific Island Countries and Territories focus areas are very relevant. The assessment noted significant achievements in Millennium Development Goals-based pro-poor policy advice and financial inclusion; parliamentary strengthening and civic education; disaster risk management and humanitarian response; climate change adaptation and mitigation; and mobilization of environmental finance. The *Mid-term review of the Pacific United Nations Development Assistance Framework, 2010*, cites, among other achievements, the United Nations Joint Presence in eight Pacific Island Countries and Territories – established by UNDP, UNFPA and UNICEF – as ‘best practices’ for facilitating United Nations system-wide coherence and effectiveness in the small islands developing States context. Finally, a 2011 independent assessment of the Pacific Centre highlights the central role of UNDP in providing high-quality knowledge services and policy advice on cutting-edge and sensitive development issues.

9. The evaluations identified several areas for improvement:

- (a) increased operational efficiencies in provision of development support to the Pacific Island Countries and Territories;
- (b) effective coordination among UNDP Pacific offices, increased synergies and integration of subregional and country-level work;
- (c) the need to address the risks of using national implementation as the default mechanism in the context of small-scale national administrations with limited absorptive capacity;
- (d) the need for a differentiated programme strategy for smaller countries and territories due to their specific situation, high unit cost of delivery and inherent capacity constraints; and
- (e) the importance of ensuring that ‘downstream’ work with communities and civil society informs policy advice and support.

## **III. Proposed UNDP programme**

10. UNDP will seek to reinforce programme impact in the Pacific subregion by strengthening linkages between country, regional and global support through joint internal annual work planning and review processes in the Fiji and Samoa multi-country offices and the Pacific Centre. The programme strategy will underpin the 2013-2017 United Nations Development Assistance Framework in the Pacific, which was developed with 14 governments of the countries and territories, and other development partners. The core mission of the framework – to promote sustainable development and inclusive economic growth to address the social, economic and environmental vulnerabilities affecting society at all levels and to

ensure human security – is aligned with the Pacific Plan and with the national development strategies of the countries and territories. To this end, UNDP will provide support in: governance; inclusive growth and poverty reduction; gender equality, including mainstreaming gender across all areas of the programme; climate change, environment, and disaster risk reduction and management.

11. UNDP will work with Pacific Island Countries and Territories to maintain and build on progress towards the Millennium Development Goals – focusing particularly on those less likely to be realized – while accelerating action to meet other internationally agreed development goals. Beyond 2015, UNDP will help the countries and territories build on outcomes of the United Nations Convention on Sustainable Development (‘Rio+20’) and address emerging trends such as the ‘youth bulge’ and sustainable use of oceanic and other resources. Programmes will target the most vulnerable – women and the young – through inclusive and pro-poor approaches that recognize the rights and responsibilities of the rights-holders and duty bearers, and by leveraging the cross-practice and multi-disciplinary expertise of UNDP.

12. *Millennium Development Goals acceleration, inclusive growth and poverty reduction.* UNDP will support capacity development for the implementation of inclusive growth policies and strategies that contribute to attainment of the Goals and specifically target women and youth. It will work with governments and the private sector to increase the scope and the depth of financial inclusion programmes, reaching out to the poor and strengthening business policies and initiatives to increase the competitiveness of small and medium-sized enterprises in the international market. It will strengthen social data collection to identify the most vulnerable; support targeted pro-poor interventions through social protection initiatives of the governments; and assist in the preparation of Millennium Development Goals reports to track progress in the Pacific Island Countries and Territories. UNDP will build on its prior contributions and its expertise in aid coordination to continue to improve development effectiveness, including by assisting the countries and territories to secure additional climate financing and use it effectively. UNDP will also work with governments and academic institutions to address emerging and post-2015 Millennium Development Goals priorities in the region, while working with individual countries and territories to help them prepare for and facilitate the transition from ‘least developed’ to ‘middle-income’ country status, guided by the priorities identified in the Programme of Action for the Least Developed Countries for the Decade 2011-2020.

13. *Political and economic governance.* To be able to effectively support Millennium Development Goals acceleration, inclusive growth and poverty reduction, UNDP will work with the Pacific Island Countries and Territories to strengthen their systems of political and economic governance through: capacity-building of parliaments to exercise effective legislative, oversight and representational functions; developing the capacity of local authorities to govern and provide development services; fostering civic education, social accountability, partnerships with civil society and the capacity of the media to report on governance and human rights. UNDP will pursue measures that increase the service delivery capacity of small-scale national administrations. In addition, recognizing social cohesion and stability as important prerequisites for inclusive growth in a number of the countries and territories, UNDP will implement programmes in the areas of: peace and development; security sector reform; and natural resource management (with a particular focus on the extractive industries) in order to achieve strong human development outcomes.

14. *Gender equality* will be mainstreamed across all programmes and pursued through explicitly targeted interventions. UNDP will continue to advocate and provide support for temporary special measures to increase the representation of

women in parliaments, as well as similar initiatives at the local government level and within public administrations. UNDP will also work with United Nations Women to bolster women's economic empowerment and their capacity to engage in productive livelihoods, and will assist the governments of the countries and territories to create an enabling environment for increasing women's participation in the market economy.

15. *Environmental management, climate change and disaster risk management.* UNDP will bolster the resilience of communities in the countries and territories to cope with climate change, and will implement strategies that integrate environmental management, climate change adaptation and mitigation, and disaster risk reduction. Building on those measures, UNDP will facilitate transition to 'green', low-carbon development through the mainstreaming of climate change into sectoral planning and national strategic development strategies, and through public expenditure and institutional reviews, as appropriate. UNDP will develop environmental governance capacities in the countries and territories, focusing on sustainable resource management and biodiversity.

#### **IV. Programme management, monitoring and evaluation**

16. To increase the impact of its support, UNDP will combine the capacities of the Fiji and Samoa multi-country offices with those of the Pacific Centre to deliver programmes and policy advice leading to transformative results at the country, multi-country and regional levels. UNDP will also focus on scaling up actions; support to South-South and triangular partnerships; knowledge management; and the exchange of development solutions.

17. The assessment for development results findings and feedback from governments will guide UNDP development effectiveness endeavours. In particular, UNDP will focus on fully aligning its programme activities with national and sectoral plans (including for monitoring and evaluation activities). While continuing to support the development of national capacity for programme delivery through the national implementation modality, UNDP will work with civil society, the private sector, and United Nations Volunteers, and will use direct implementation modalities and fast-track procedures in situations of force majeure or based on need, in consultation with national governments. In addition, UNDP will work with other United Nations and regional organizations for joint programming in areas such as parliamentary support; youth and gender; Millennium Development Goals tracking; and poverty analysis.

18. Because of the need for a differentiated response, as well as to reduce transaction costs and increase impact, UNDP will focus on the specific priority areas of each country and, where appropriate, adopt multi-country initiatives for more effective provision of development services. Decisions will be based on shared characteristics such as similarity of resource bases, geographical similarity (atoll nations, for example) and income levels (such as least developed and middle-income countries). Country programme action plans will be prepared to reflect the country-specific priorities identified during the national consultation processes and in coordination with other United Nations organizations. The consultations undertaken and the priorities identified will also provide direction for the next Asia Pacific regional programme. UNDP will leverage the established United Nations Joint Presence network to improve programme implementation and efficiency.

19. To further strengthen ownership and encourage feedback and guidance from key stakeholders, UNDP will establish a Pacific programme board made up of governments of Pacific Islands and Territories, the Council of Regional Organizations of the Pacific, and non-state actors. In addition to country-level and Pacific-wide programme monitoring and review mechanisms, UNDP will commission independent external evaluations to measure transformational results

and ensure long-term relevance, effectiveness and efficiency, as indicated in the evaluation plan, 2013-2017 (available on the UNDP website). Clear baseline data will be established to permit rigorous monitoring and evaluation of programme implementation.

20. The programme will be funded through a combination of UNDP core resources (to include targeted resource allocations per country, the target for resources assignment from the core ('TRAC'), and a dedicated portion of the regional programme resources (subject to approval by the Executive Board) as well as resources mobilized from development partners, international trust funds and climate change funds. Where possible, UNDP will seek and encourage programme cost-sharing by governments of the countries and territories, earmarked for specific results at the country level, with a view to further strengthening national ownership and the long-term sustainability of interventions.

## Annex. Results and resources framework

<b>Subregional goals:</b> Objectives of PICT <sup>4</sup> national development strategies related to the <i>Pacific plan pillar on economic growth and sustainable development</i> and aligned with <i>Millennium Development Goal 1, on poverty reduction</i>					
<b>Subregional programme outcome 1 (UNDAF<sup>5</sup> outcome 3.1):</b> By 2017, inclusive economic growth is enhanced, poverty is reduced, sustainable employment is improved, livelihood opportunities and food security are expanded for women, youth and vulnerable groups and social safety nets are enhanced for all citizens.					
Partner Governments contributions	Other partner contributions	UNDP contribution	Indicators, baselines and targets	Indicative country programme outputs	Indicative resources by outcome
Governments will provide leadership and advance socio-economic policies for accelerated MDG <sup>6</sup> progress, design and implement targeted pro-poor interventions, foster stronger public-private partnerships and institute budget and planning processes for improved development effectiveness and better development outcomes beyond 2015.	Civil society (including faith-based organizations) will support delivery of social services and effective monitoring mechanisms while mobilizing communities and increasing public awareness of key socio-economic issues  The private sector will mobilize initiatives to expand employment generation, increase the scope and depth of financial inclusion and, where appropriate, support delivery of social services  Regional organizations, development partners and United Nations organizations will pursue joint programmes to support implementation of government priorities in partnerships with civil society and the private sector	Capacity development to support national development agendas and cutting-edge analysis of emerging development needs, including, where necessary, support to improve surveys and analysis to ensure disaggregation by sex and age.	<b>Indicators:</b> Share of population below national basic needs poverty line and with access to social protection services (both indicators disaggregated by sex and age); share of women in non-agricultural wage employment; youth unemployment ratio <b>Baseline:</b> 2011 or latest available data <b>Target:</b> To be determined, on country basis	(a) Acceleration frameworks to achieve MDGs and other country-owned development goals are designed and implemented, specifically targeting women and youth  (b) Enhanced strategic partnerships for accelerated MDG achievement, implementation of inclusive policies, strengthened social protection systems, improved development effectiveness, expanded financial inclusion, effective public-private partnerships  (c) Increased capacities for improved development effectiveness, including through nationally owned aid coordination mechanisms  (d) Increased access and effective utilization of development and climate finance, including budgetary support and trust funds  (e) Countries graduating from 'least developed country' status supported with specific policy advice	<b>Regular:</b> 2,868,000  <b>Other:</b> 15,200,000
<b>Subregional goals:</b> Objectives of PICT national development strategies related to <i>Pacific plan pillars on good governance and economic growth and sustainable development</i> and aligned with <i>Millennium Development Goal 1, on poverty reduction</i>					
<b>Subregional programme outcome 2 (UNDAF outcome 5.1):</b> Regional, national, local and traditional governance systems are strengthened, respecting and upholding human rights, especially women's rights, in line with international standards.					
Governments will commit to improving the delivery of services by undertaking	Civil society (including faith-based organizations) will support the delivery of social services and effective monitoring mechanisms.	Capacities of parliaments, subnational government ministries and	<b>Indicators:</b> Number of countries that pass legislation and introduce policies to increase parliamentary	(a) Parliamentary capacities strengthened to legislate for and improve local service delivery; review and allocate appropriate budgets; and ensure effective legislative oversight of government decision-making	<b>Regular:</b> 3,442,000

<sup>4</sup>Pacific Island Countries and Territories

<sup>5</sup>United Nations Development Assistance Framework

<sup>6</sup>Millennium Development Goals



<p>practical measures at local and national levels to strengthen governance systems and institutions as well as partnership arrangements with civil society and the private sector.</p>	<p>Regional organizations, bilateral and multilateral development partners and United Nations organizations will pursue joint programmes to support implementation of government priorities.</p>	<p>civil society organizations strengthened to ensure improved service delivery, and inclusive decision making and to promote social cohesion at the community level</p>	<p>accountability and transparency and address key human rights and anti-corruption issues; number of countries that develop service delivery mechanisms to ensure greater equity and inclusion of the most vulnerable in the population <b>Baseline:</b> 2011 or latest available data <b>Target:</b> To be determined, on country basis</p>	<p>(b) Enhanced institutional arrangements that support decentralization and improve basic service delivery and community resilience (c) Improved capacity to promote social cohesion and institutional strengthening for countries in post-conflict transition (d) Civic education programmes developed and social accountability partnerships promoted to increase the delivery of services at the community level (e) Increased national commitment to security sector reform, anti-corruption, freedom of information, and human rights-based approaches to development</p>	<p><b>Other:</b> 18,216,000</p>
<p><b>Subregional goals:</b> Objectives of national development strategies related to the <i>Pacific plan pillar on good governance</i> and aligned with <i>Millennium Development Goal 3, on gender equality</i></p>					
<p><b>Subregional programme outcome 3 (UNDAF outcome 2.1):</b> Increased women’s participation through legislation and policies that advance women’s leadership at all levels.</p>					
<p>Governments will commit to introducing policy and legal frameworks and associated monitoring mechanisms to foster women’s political participation and economic empowerment.</p>	<p>Civil society will support increased awareness and effective monitoring mechanisms.  Local governments will support implementation of adopted measures.  Regional organizations, development partners and United Nations organizations will pursue joint programmes.</p>	<p>Advocacy, policy advice and technical assistance for women’s political and economic empowerment</p>	<p><b>Indicators:</b> Number of women in national parliaments and provincial or local councils and in leadership positions in public and private sectors; Human Development Report gender development index  <b>Baseline:</b> 2011 or latest available data  <b>Target:</b> To be determined, on country basis</p>	<p>Special measures adopted in some countries to support increased participation of women in parliament, or other efforts towards women political empowerment and leadership development based on country contexts, are implemented.  Women’s capacity and enabling policies, and the legal environment for women’s productive participation in the market and in the informal economy, are enhanced.</p>	<p><b>Regular:</b> 1,294,000  <b>Other:</b> 5,108,000</p>

<b>Subregional goals:</b> Objectives of PICT national development strategies related to the <i>Pacific plan pillar on sustainable development</i> and aligned with <i>Millennium Development Goal 7, on environmental sustainability</i>					
<b>Subregional programme outcome 4 (UNDAF outcome 1.1):</b> Improved resilience of PICTs, with a particular focus on communities, through the integrated implementation of sustainable environmental management, climate change adaptation and/or mitigation and disaster risk management.					
Governments will lead efforts towards enhanced community resilience through community level interventions and institutional and policy reforms and legislation that support transition to low-carbon and climate-resilient paths, climate change adaptation and mitigation, and disaster risk management.	Civil society and community-based organizations will support the advocacy, awareness and implementation of interventions at the local level.  Regional organizations and academia will support research and development and will provide technical assistance to governments.  Development partners and United Nations organizations will support government efforts through joint programming and sector-wide approaches.	Institutional capacities in PICTs strengthened to design and implement integrated strategies for climate change adaptation and/or mitigation and disaster risk management that are supported by commensurate interventions at the local level to improve community resilience	<b>Indicators:</b> Share of budget resources earmarked for environmental sustainability, disaster risk management, climate change adaptation and mitigation; share of population with sustainable access to improved water sources and to renewable energy (disaggregated by gender and age); area protected to maintain biological diversity  <b>Baseline:</b> 2011 data or latest available data <b>Target:</b> To be determined, on country basis	(a) Enhanced policy and regulatory frameworks that facilitate transition to green, low-carbon climate-resilient paths of development and increased access to renewable energy are put in place.  (b) Capacities of local government departments are strengthened for effective, participatory environmental governance.  (c) Demonstration projects on natural resources management and biodiversity at the community level that can be scaled up are implemented, and the formulation of evidence-based policies is supported.  (d) Levels of climate change funds accessed by PICT governments are increased.	<b>Regular:</b> 537,000  <b>Other:</b> 65,744,000
				<b>Total resources:</b> of which regular resources <sup>7</sup> of which other resources:	<b>112,409,000</b> 8,141,000 104,268,000

<sup>7</sup> Indicative regular resources are based on projected allocations from TRAC 1.1.1 and do not include allocations from TRAC 1.1.2 or from the Asia Pacific regional programme in support of Pacific subregional activities. These additional resources may be made available subject to future decisions by the Executive Board.