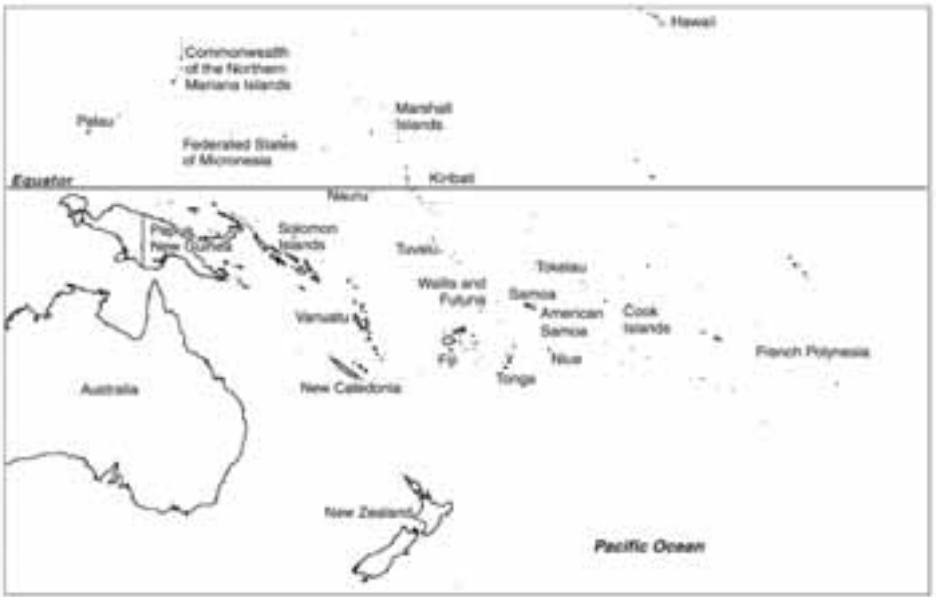
Food Security and Sustainable Livelihoods in the Pacific Island Countries:

Development Partners Mapping Study



Report to FAO

By

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Acronyms & Abbreviations

ACIAR	Australian Centre for International Agricultural Research
ADB	Asian Development Bank
ADF	Asian Development Fund
AESOP	Australian Expert Service Overseas Programme
ARDS	Agriculture and Rural Development Strategy
AusAID	Australian Agency for International Development
CDE	Centre for the Development of Enterprise
COBP	Country Operations Business Plan
CROP	Council of Regional Organizations of the Pacif**c**
CSP	Country Strategy Paper
CSPU	Country Strategy Programme Update
CTA	Technical Centre for Agriculture
DSAP	Development of Sustainable Agriculture in the Pacific
EC	European Commission
EIB	European Investment Bank
EU	European Union
EPA	Economic Partnership Agreement
FAO	Food and Agricultural Organization
FFA	Forum Fisheries Agency
FICs	Forum Island Countries
FSM	Federated States of Micronesia
FSPI	Foundation of the Peoples of the South Pacific International
FSSLP	Food Security and Sustainable livelihoods Project
GDP	Gross Domestic Product
GEF	Global Environmental Facility
GEFPAS	GEF Pacific Alliance for Sustainability
IBRD	International Bank of Reconstruction
IDA	International Development Association
IDTP	Industry Development and Training Project
IFAD	International Fund for Agriculture Development
IFOAM	International Federation of Organic Agriculture Movements
IFC	International Finance Corporation
IMF	International Monetary Fund
IUCN	International Union for Conservation of Nature
JICA	Japan International Cooperation Agency
KAP	Kiribati Adaptation Programme
LDC	Least Developed Country
MCC	Millennium Challenge Corporation
MDGs	Millennium Development Goals
MSF	Market Support Fund
NCSA	National Capacity for Self Assessment
NGO	Non-Governmental Organization
NSA	Non State Actors

NZ	New Zealand
NZAID	New Zealand Agency for International Development
OCO	Oceana Customs Organisation
ODA	Overseas Development Assistance
OECD	Organisation for Economic Cooperation and Development
PBA	Programme Based Approach
PFTCA	Pacific Financial Technical Assistance Centre
PDMC	Pacific Developing Member Country (of ADB)
PNG	Papua New Guinea
PICs	Pacific Island Countries
PIFS	Pacific Island Forum Secretariat
POPs	Persistent Organic Pollutants
PRAN	Pacific Regional Assistance to Nauru
PRC	Peoples Republic of China
RAMSI	Regional Assistance Mission to Solomon Islands
R&D	Research and Development
RMI	Republic of Marshall Islands
ROBP	Regional Operations Business Plan
ROC	Republic of China
RPFS	Regional Programme for Food Security
SAP	FAO Sub-regional Office for Pacific
SBEC	Small Business Enterprise Centre
SI	Solomon Islands
SIDS	Small Island Developing States
SOPAC	South Pacific Applied Geoscience Commission
SPC	Secretariat of the Pacific Community
SPREP	Secretariat of the Pacific Regional Environment Program
SPTO	South Pacific Tourism Organisation
STAS	Short Term Advisory Services
SWAp	Sector Wide Approach
TA	Technical Assistance
TCP	Technical Cooperation Project
TSAP	Transitional Support to Agriculture Project
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nations Development Assistance Framework
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
US	United States
USAID	United States Agency for International Development
USP	University of the South Pacific
WB	World Bank
WHO	World Health Organisation

This list is not exhaustive and further Acronyms are detailed in the country reports

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NOTE

Currencies

In the text of this report currencies have been expressed in the form they have been reported by development partners.

A$ refers to the Australian Dollar
€ refers to the Euro
Kina refers to the PNG Kina
NZ$ refers to the New Zealand Dollar
SI$ refers to Solomon Islands Dollar
SAT refers to Samoan Tala
US$ refers to the United States Dollar

In the tables of Appendix 2 (regional and country overviews) currencies have been converted to US$ for ease of comparison. The conversion rates used are as follows.

1 A$ = 0.94 US$
1 € = 1.54 US$
1 Kina = 0.38 US$
1 NZ$ = 0.77 US$
1 SAT = 0.41 US$
1 SI$ = 0.14 US$

Table of Contents

	Page
Executive Summary	**7**
Introduction	**9**
Methodology & Structure of the Report	9
Context	10
Results Synopsis and Discussion	**11**
The Major Development Partners Active at the Regional Level	11
Bilateral and Multilateral Development Partners Active at National Level	11
Strategic Frameworks for Assistance	12
Donor Coordination	14
Instruments, Approaches and Modalities	15
Main Areas of Interventions	17
Relationship between Ongoing and Planned Activities and the FSSLP	22
Suggestions for Further development of the Outputs of the Mapping Exercise	30
Conclusions	**30**
Appendixes	
1. Summary Tables	**34**
2. Regional and Country Overviews	**63**
3. List of People Consulted	**248**
4. Pacific Aid Effectiveness Principles	**252**
5. FSSLP Mapping Study Update 2009	**267**

Executive Summary

There are currently many bilateral and multilateral development partners who provide substantial assistance to the Pacific Island Countries (PICs), and in order that this assistance translates into better sustainable development gains priority must be given to aid coordination and harmonization of support across development agencies. In the context of FAO programming assistance to the Pacific region (including the formulation of the expansion phase of the regional programme for food security[1]) this mapping exercise was undertaken to detail and analyse current and planned activities of key development partners and regional agencies in the broader agriculture sector. The overall objective of the study is to enhance harmonization and complementarity of development resources based on respective comparative advantages.

This study covers the 14 Pacific Island Forum Countries. Information was collected over a ten week period and collated into one regional overview and 14 country reports (presented in Annex 2). The main development partners active in the sectors of study have been identified along with their areas of concentration and geographical focus. Also reported on is how the aid is delivered (instruments and approaches) and the strategic frameworks in which this assistance is provided. The current mapping exercise is a useful starting point from which to identify what development support the 14 PICs are receiving in the sectors of the study. Because of the breadth of the study (both geographically and across sector areas) it cannot be considered as exhaustive. The report makes no attempt to evaluate the quality, effectiveness or impact of the reported interventions. Therefore no firm conclusions can be drawn on whether or not the particular development needs of a country are being met.

The agriculture sector remains central to economic growth and poverty reduction, but funding for rural development has failed to keep pace with the need in many PICs. In most cases this under-funding has been evident since at least the early 1990s. Rebuilding rural infrastructure (notably transport systems) and agriculture extension and research services now are seen as priority areas needing support. However, much of what happens in the agriculture sector lies in the hands of the private sector. Thus providing an enabling environment for private-sector led growth has been targeted for support by key development partners in the region.

Significant support is going to the larger Melanesian countries where progress in achieving Millennium Development Goals has been weak. These are also countries which have considerable potential to improve economic growth and alleviate poverty through development of the productive sectors. However, many of the smaller island countries, particularly the atolls, are facing increasing challenges regarding food security (including nutritional health) and will need an additional focus of development assistance to address these challenges.

The Pacific Island Countries are among the most environmentally vulnerable nations in the world. There is a heightened awareness of the consequences for the region of climate

[1] Now called the Food Security and Sustainable Livelihoods Programme (FSSLP)

change. The evidence from experience to date indicates that extreme events such as drought, extreme high tides, violent winds, and storm surges are the major risks to the continued habitation of low-lying islands in the Pacific. Climate change mitigation and adaptation, and disaster preparedness are becoming a key focal area for increased development assistance.

Development partners generally are putting increased emphasis on relevance, efficiency and effectiveness of aid. How, and how well, resources are being used needs to be better understood to set policy priorities for allocation of resources to achieve improved development outcomes. An anticipated substantial increase in volume of aid to the agriculture and environment sectors will require improved instruments and approaches for delivery. However, donor fragmentation remains a significant challenge, and building coherence across development interventions should remain a priority.

Introduction

In July 2007 Pacific Island Countries (PICs) and their development partners signed the Pacific Aid Effectiveness Principles, which call for strengthened aid management and coordination mechanisms at the national and regional level. CROP agencies and development partners have also agreed, under the Pacific Plan, to better coordinate their assistance to member countries and regional services that complement national efforts.

There are currently many bilateral and multilateral development partners who provide substantial assistance to the PICs, and in order that this assistance translates into better sustainable development gains priority must be given to aid coordination and harmonization of support across development agencies. Equally important is building national ownership over aid programming by aligning assistance to national (and regional) sustainable development priorities.

Against this background and in the context of FAO programming assistance to the Pacific region (including the formulation of the expansion phase of the regional programme for food security[2]) this mapping exercise was undertaken to detail and analyse current and planned activities of key development partners and regional agencies in the areas of agriculture (including forestry and fisheries), rural development, food (including security/ safety net, quality and safety aspects), nutrition (including nutritional health, water and sanitation), environment and natural resource conservation/ rehabilitation, climate change responses, and overall economic development and trade. This report addresses the following four main questions:

- Who are the main development partners providing assistance to the sectors of the study?
- Where do these partners focus their support (geographically – in which PICs[3]) and which sector areas?
- How do they deliver their support (Instruments – e.g. grants, consessional loans; Approaches – e.g. TA, projects, programme based funding, SWAps; and Modalities - e.g. project grants, competitive grant funds, agency core budget funds, government budget support etc.)?
- What are the strategic frameworks in which this support is provided?

The overall objective of the study is to enhance harmonization and complementarity of development resources based on respective comparative advantages.

Methodology and Structure of the Report

Information and data recorded in this study report was obtained in the following ways:

- Search of development partner (including regional agencies) websites.

[2] Now called the Food Security and Sustainable Livelihoods Programme (FSSLP)

[3] The 14 Pacific Island Countries (PICs) covered by this study are: Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, Niue, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu

- Face to face (and telephone) interviews with representatives of key development partners, regional agencies, NGOs and government departments (see list of people consulted in Appendix 2)
- Questions forwarded to key informants in the region.
- Study of project documents and development partner support strategy/policy documents.

During the course of this study visits were made to four PICs: Fiji, Papua New Guinea, Samoa and Solomon Islands. Missions were also made to Australia and New Zealand to visit key development partners' headquarters.

The information collected was compiled into one regional overview and fourteen country overviews (see overviews in Appendix 1). Drafts of these overviews were sent to FAO contacts within each country to provide an opportunity to verify/correct or supplement the information.

It is recognized that due to time and resource constraints that the information collected will not be exhaustive for all development partners, all sectors of the study and all countries in the region. Every effort has been made to record accurately, and as completely as possible, the main development assistance to the sectors of the study, any omissions or incorrect information is the responsibility of the author and is regretted.

Context

In general, the 14 Pacific island nations reviewed face significant development challenges and rely considerably on the support from development partners to help address these. With few exceptions, such as Papua New Guinea and Fiji, the island nations have small economies and limited natural resources. Agriculture, particularly the export sector, fisheries and tourism are extremely important to the economies of many of the PICs. The high degree of dependence on such sectors, however, makes the relatively weak island economies vulnerable to externally induced economic shocks, natural disasters, environmental problems, and the impacts of climate change. Their remote location, poor access to commercial and capital markets, poorly developed infrastructure and limited institutional capacity hinder economic development. In many islands the private sector is poorly developed and there is a shortage of trained personnel to meet development challenges. Strengthening the environment for private sector development in the Pacific therefore remains a crucial challenge for development of the agriculture sector.

The CROP agencies and UN agencies which serve the region provide the economy of scale to more effectively support technical assistance, training and capacity building needs, which is particularly important for the small island developing nations.

In addressing these significant challenges, the development strategies of PICs have common elements which *inter alia* include increasing agricultural productivity and food self-sufficiency, reducing food imports, diversifying production, improving marketing and export performance, developing human capacity and improving the quality of life of poor and vulnerable groups.

Results Synopsis and Discussion

The Major Development Partners Active at the Regional Level

Nine bilateral partners, Australia, Canada, France, Germany, Italy, Japan, New Zealand and the United States provide assistance in the sectors of study at the regional level (ref. Table 1). Whilst three key multilateral donors, Asian Development Bank (ADB), European Union (EU), World Bank (WB) and several UN agencies (FAO, IFAD, UNCTAD, UNDESA, UNDP, UNEP, WHO) also provide assistance at the regional level (ref. Table 2).

Countries which are members of CROP[4] agencies (Australia, France, New Zealand and the US) provide core funding and often additional funding support to the work programme activities of these agencies. These partners also support specific projects implemented by the CROP agencies. Japan provides *ad hoc* support (including infrastructure) to CROP agencies. Italy and Canada are providing support to UN agency implemented programmes in the region (e.g. FAO, UNDESA and UNDP). The EU provides significant support for projects implemented by CROP agencies (FFA, PIFS, SPC, SOPAC and USP) and also provides support through all ACP implemented projects and through interventions of specialized technical assistance agencies such as the Centre for Development of Enterprise (CDE) and Technical Centre for Agriculture (CTA). The two international financial institutions (ADB & WB) provide assistance at the regional level principally through strategic economic and sector work, multi-donor dialogues to promote donor coordination on a thematic basis, targeted policy notes to disseminate key messages, and focused technical assistance to implement reforms. Australia, New Zealand, IFAD and EU also provide support to NGO implemented programmes and projects.

The Global Environment Facility (GEF) is providing funding support to regionally implemented environment projects and the GEF Pacific Alliance for Sustainability (GEF-PAS) programme, which is currently being formulated, will increase and strengthen the support to the region in this area.

Bilateral and Multilateral Development Partners Active at National Level in the 14 PICs.

Australia, New Zealand, Taiwan, and Japan are the major bilateral partners providing assistance to the PICs in the sectors of the study. To a lesser extent, China, France and the US have also provided assistance. The EU is the major multilateral donor and ADB and WB also provide assistance to some countries (ref Tables 3 to 17).

The bilateral and multilateral donors have concentrated their assistance to the sectors on relatively few Pacific Island nations. The bulk of the assistance from Australia, EU, NZ, WB and ADB has been provided to Papua New Guinea, Solomon Islands and to a lesser extent Vanuatu. These larger Melanesian countries are where the bulk of the Pacific

[4] Council of Regional Organisations in the Pacific (see regional overview Appendix 2 for details on the different agencies).

population lives and where they are the poorest. They are agrarian societies in which agriculture provides the main source of employment and livelihoods and where the agriculture sector still contributes significantly to GDP (20% +). They are also countries with significant growth potential based on the natural resources sector (agriculture, forestry and fisheries). The EU also provides (through STABEX[5] funds) support for the agriculture in Tonga and Samoa and is providing substantial support to Fiji to fund an adaptation strategy for the sugar sector. Australia has been providing support to the marine resources sector in Tonga and New Zealand is providing support to this sector in Cook Islands and Solomon Islands. Australia, New Zealand and WB are also providing significant assistance for climate change adaptation in Kiribati. Support from France is focused mainly in Vanuatu whilst the US assistance is largely directed to FSM, the RMI and Palau through the Compacts of Free Association.

For many of the small island nations support to the sectors of study is largely provided through implementation of projects and work programmes of the regional CROP agencies (SPC, PIFS, SPREP, SOPAC, FFA and USP) and UN agencies such as FAO for agriculture, forestry and fisheries and for the environment sector by UNDP and UNEP (particularly for implementation of GEF funded projects).

Two international NGOs (Oxfam and World Vision) are providing support in these sectors with primary focus in Melanesian countries. Whilst the international Pacific NGO, Foundation of the Peoples of the South Pacific International (FSPI) is implementing activities (funded by IFAD, NZAID and AusAID) in some Pacific countries.

Strategic Frameworks for Assistance

Most of the major development partners to the region articulate, through a process of inclusive consultation, strategic frameworks both for their assistance at individual country level and for support at the regional level. An overriding expressed intention, for most partners, is to align their assistance to national (articulated in National Sustainable Development Plans) and regional (articulated in the Pacific Plan[6]) sustainable development priorities.

Development partners increasingly recognise that social and political support for change needs to build internally if development programmes are to be owned locally and implemented with vigor. Although development partners are an important source of

[5] Stabilisation of Export Earnings (STABEX) was a Lomé Convention Instrument to compensate ACP countries for decline in export values of eligible commodities. Its objectives are laid down in Article 186 of the fourth Lomé Convention: to remedy the harmful effects of the instability of export earnings and to help to overcome one of the main obstacles of development. It has been discontinued under the Cotonou Agreement and it is anticipated that there will be a sunset on STABEX fund implementation in 2010.

[6] Agriculture does not feature strongly in the current (2006) draft of the Plan. Therefore at the 38th Pacific Islands Forum Leader's meeting in Tonga (October, 2007), a communiqué was endorsed calling for SPC to develop a new agriculture and forestry initiative, including atoll agriculture, under the Pacific Plan's sustainable development pillar.

support for the process of change, the view that now guides the work of most partners is that countries must lead the way.

In October 2005, regional leaders endorsed the Pacific Plan to strengthen regional cooperation and integration on trade, private sector development, service delivery, and the achievement of good governance. The Pacific Plan is based on the concept of regionalism, i.e., that of countries working together for their joint and individual benefit. There is now broad alignment between the Pacific Plan and the regional plans of ADB, AusAID, EU, NZAID, the UN and the World Bank. Japan also indicated its support for the Pacific Plan at the fourth Japan-PIF Summit Meeting (PALM 4) held in Okinawa in May 2006.

Examples of development partner goals/pillars common to several regional & national strategies/frameworks for cooperation are listed below:

Poverty Alleviation - Achieving Millennium Development Goals – Sustainable Development
Food Security
Improved Governance
(Private sector-led) Broad-based Economic Growth – Improved Employment Opportunities and Income - Equity
Gender Equality
Sustainable Livelihoods
Sustainable Environmental Management[7] – Reduced Vulnerability – Increased Resilience
Regionalism – Economic Integration
Harnessing Trade for Development
Improved Infrastructure
Improved Service Delivery
Aligning – Coordinating – Harmonising Development Support

Some development partners are adopting a sub-regional approach to providing multi-country assistance to better align this with common challenges and circumstances of the different Pacific countries. Australia (AusAID and ACIAR), ADB, WB, and the UN (UNDAF process) have singled out Papua New Guinea from the other smaller PICs and provide assistance under a country specific framework rather than under a regional framework. In this way the strategy is better tailored to individual needs of the recipient countries, thus improving national ownership of the programmes and increasing the likelihood of successful outcomes.

ADB's experience[8] indicates that sub-regional approaches, which allow for variation in emphasis and approach, can also be more successful in the Pacific if groups of countries

[7] A strategic focus on environmental management is growing in prominence for many development partners in the Pacific (including ADB, Australia, EU, NZ and WB).

[8] Chapter IV. Lessons, in "Working in Fragile Environments: A Midterm Review of the Pacific Strategy (2005-2009)", January 2008, Asian Development Bank

are allowed to self select. Consultative and participatory processes also contribute to success by generating ownership of activities and promoting sustainability. Regional initiatives are most successful when they directly address national needs and priorities.

Development partners are also stressing the need for strengthen the analytic underpinnings of engagement. Highlighting that strategic analysis can help identify strategic priorities, and offer insights into constraints to growth and development and elucidate better practices and approaches. Such approaches allow for assessment of the political economy, and for the real, effective demand for proposed assistance needs to be better integrated into country strategies and development activities, along with the analysis of binding constraints. ADB have indicated that they will integrate such an approach into preparation of country strategies for the FSM and Palau in 2008.

All key development partners are placing a stronger emphasis on managing for developing results at country, and activity level. ADB have extended this to a region-wide results framework which is intended to help ensure consistency across country strategies and to focus attention on the implementation of region-wide initiatives.
The US Millennium Challenge Corporation programme uses local ownership and performance-based results as its operational focus.

Donor Coordination

Most PICs and development partners operating in the region have endorsed the Paris Declaration on Aid Effectiveness. Endorsement rests on a commitment of donors to:

- harmonize development assistance at the country level;
- align assistance with national priorities, strategies, institutions, and procedures;
- and make maximum use of regional systems.

These commitments were tailored to the region's needs through the Pacific Aid Effectiveness Principles agreed to by the Forum Economic Ministers Meeting in July 2007 (Appendix 3). Derived from the Paris Declaration and workshops and consultation across the region, these principles provide both a set of guiding principles and measurable indicators of progress in their implementation. The July 2007 Forum Economic Ministers Meeting also agreed that a separate Pacific Island Countries/Partners Meeting would be held annually to discuss issues around harmonization, coordination, and aid effectiveness[9].

All of the major donors have emphasized donor coordination as a tool for improving efficiency by limiting duplication of projects and reducing the burden of multiple donor requirements on recipient countries. Australia and New Zealand, for example, are harmonizing their programmes as much as possible to streamline their own operations and to increase their overall effectiveness. They believe that harmonization should also minimize the impact of multiple donor requirements on the recipient government.

[9] A first Pacific Regional Workshop on Aid Effectiveness was held in Nadi in April 2008, organised jointly by the United Nations Development Programme (UNDP) Pacific Centre and the Pacific Islands Forum Secretariat (PIFS) with support from the Asian Development Bank (ADB).

Many PICs have established aid coordination points within their administration to better facilitate donor coordination and to help keep donor activities within local capacities to absorb. Overloading of local systems is most likely when donors have multiple entry points to a partner government's system. Whilst the governments' aid coordination points lessen this problem, many are struggling to cope with the high demands faced.

When country and donor resources are spread across a large number of separately implemented activities, they can lack the critical mass required to achieve helpful change. Donor coordination offers the potential to consolidate efforts and overcome high transaction costs. A robust programme design, based on regional coordination and cooperation, with national implementation, can be an effective and efficient means in coordinating investments to a sector and also reduce the transaction costs both for donors and recipient countries. This is one of the underlying principles in the formulation of the Pacific Alliance for Sustainability (GEF-PAS) and the Food Security and Sustainable Livelihoods Programme (FSSLP).

Instruments, Approaches and Modalities

The bulk of development assistance provided to the countries in the region (in the sectors of the study) is provided in the form of grants (and Technical Assistance). This is almost entirely the case for assistance provided at the regional level. However, many project documents indicate a level of counterpart funding to be provided by beneficiary governments or by national/regional agencies that implement the projects.

The ADB, WB[10] and China provide support to countries also through concessional loans. However, in 2005 China cancelled the outstanding loan debt for a number of the least developed countries in the region. In 2007, ADB[11] recognizing the weak performance and fragility of many PICs, increased their flexibility and responsiveness to addressing issues facing these countries by improving existing mechanisms as well as adopting new modalities and instruments, relaxing business processes, and increasing resources. ADB is now making available substantial additional funding for non-lending products, notably of grants and technical assistance. Under the new ADF grants framework, five countries are eligible to receive all or a substantial share of their assistance as grants, at least initially (2007–2008). These countries are Samoa (the grant component of ADF assistance is initially set at 50%), Solomon Islands (100%), Timor-Leste (40%, to the end of 2008), Tonga (50%, dependent on a formal reclassification under the graduation policy), and Tuvalu (100%). A number of countries in the Pacific do not have access to ADF grants (FSM, Kiribati, the Marshall Islands, PNG, Vanuatu, and, from 2009, Timor-Leste). For these countries, engagement will be limited to ADF loans and TA. However, the flexibility provided by a new cost-sharing policy is to be applied in ADB's Pacific Development Member Countries (PDMCs) with a view to allowing ADB financing of as

[10] The International Bank of Reconstruction (IBRD) and the International Development Association (IDA) make up the World Bank; but together with the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), and the International Centre for Settlement of Investment Disputes (ICSID) they are the "World Bank Group"

[11] Reference, "Working in Fragile Environments: A Midterm Review of the Pacific Strategy (2005-2009)", January 2008, Asian Development Bank

much as 99% of loan projects and TA where there is strong local ownership and commitment.

A number of competitive grant funds that are available from donors, for business enterprise development and for small grants for rural development project, require beneficiary counterpart funding ranging from 25-50% of estimated project costs (examples include Australia's Enterprise Challenge Fund (50% costs); the EU's Micro-Projects (25%+ costs), CDE's TA for business development (30%+ costs)). The general rationale for cost sharing is better ownership and execution of projects by the beneficiaries.

Development partners use several different approaches to deliver their development assistance to the PICs. These approaches include:

- Technical Assistance and Advisory Services (e.g. ADB's TA for strengthening governance and financial management in the Pacific region)
- Programme funding for CROP agencies (e.g. AusAID, NZ, France, US).
- Project Assistance (e.g. EU/France strengthening Producer Organisations Project in Vanuatu)
- Programme Based Assistance (e.g. WB/EU/Australia Rural Development Programme in Solomon Islands)
- Competitive Research Funds (e.g. Australia's Agriculture Research and Development Support Facility in PNG)
- Competitive Enterprise Funds (e.g. AusAID Enterprise Challenge Fund).
- Participation Funds (e.g. NZAID Pacific Islands Participation Fund[12])
- Scholarships & Training Opportunities (e.g. Australia & NZ scholarship programme and China's training & seminar programmes)
- Twinning and Mentoring (e.g. Australia's support for a quarantine twinning scheme in PNG).

Whilst sector wide approaches (SWAps[13]) are being developed for Health, Education and Water in some countries in the region, this approach has not been developed for the agriculture sector in the PICs. A Program-Based Approach (PBA) an extension of the concept of the SWAp refers to a generic approach based on comprehensive and coordinated planning in a given sector, thematic area. To some extent the concept of PBA offers a higher degree of institutional flexibility by focusing on a policy programme and objectives – which can be multi-sectoral, sectoral or sub-sectoral – rather than a bureaucratic institutional structure, i.e. the sector. In this respect it is worth noting that one of the frequently cited limitations of the SWAp is the fact that sector is equated to a public sector organisational structure (a sectoral ministry) which leaves little scope for collaboration from other public sector agencies whose areas of intervention are relevant

[12] The objective of the programme is to fund attendance by Pacific Islanders at regional and international conferences, where their attendance will strengthen ownership of regional and international development processes.

[13]Ref. ODI SECTOR WIDE APPROACHES IN AGRICULTURE AND RURAL DEVELOPMENT.

to the sector. This problem is particularly relevant in agriculture and rural development where important services are provided not only by ministries of agriculture (the sectoral ministry usually managing the SWAp) but also by other government agencies. A PBA is being adopted for the multi-donor supported Rural Development Programme in Solomon Islands which is being used to implement the Agriculture and Rural Development Strategy (ARDS).

There is a considerable range of financing modalities used by the many partners operating in the Pacific, with too many subtle nuances to describe here in this report. Project funding using donor specific procedures (for contracting and procurement) is still a common modality in operation. However, several major donors (Australia and New Zealand in particular) are providing programme budget support to regional agencies and to some NGOs. This generally involves an increased level of dialogue between the donor and the implementing agency on the policy and strategic framework for operations. It facilitates a more programmatic approach to delivery and allows the implementing agencies to better plan resources in line with a medium-term strategic plan. For some donors there is a perceived concern with this financing modality related to: a reduced level of financial control; and a lack of visibility. General government budget support is being provided in some countries by Taiwan (also by NZ in Niue). The EU provides some budget support in Vanuatu and is preparing for sector budget support for water resources in Samoa. Trust funds are increasingly being seen as a means to improve the sustainability of revenue particularly for the smaller island countries. Trust funds have been established in several countries including Tuvalu (multi-donor contributions), Niue (principally NZ and Australian contributions), FSM, RMI and Palau (US contributions), the Kiribati Revenue Equalisation Reserve Fund and the Nauru Phosphate Royalties Trust. These funds have been designed to serve a range of purposes, including the development of rural communities or outer islands, management of recurring government expenses, and assistance in achieving greater financial autonomy. According to the reports on trust funds, these funds can be effective instruments for providing development assistance if they are properly designed and managed[14].

Main Areas of Interventions

GOVERNANCE AND POLICY

Australia, EU, Japan, New Zealand, the UN, and the ADB have adopted strategies that promote the development of good governance[15].This emphasis follows the widely accepted principle that aid is more effective in countries with strong institutions and good policy environments in place. Indeed, good governance and a strong policy/regulatory environment are critical to development of the natural resources sector in general, and particularly for forestry and capture fisheries. FAO in particular has targeted support for

[14] Foreign Assistance: Lessons Learned from Donors Experiences in the Pacific Region, GAO Report to Congressional Requesters. United States General Accounting Office (2001).

[15] In this context "Good Governance" means, competent management of a country's resources and affairs in a manner that is open, transparent, accountable, equitable, and responsive to people's needs. ADB identifies four elements of good governance as: accountability, participation, predictability, and transparency.

agriculture; fisheries and forestry policy (and legislation/regulations) development in a number of countries. SPC (with support from CTA) is facilitating a Pacific Agriculture and Forestry Policy Network (PAFNet). ADB provides technical assistance for strengthening pro-poor policies and for results-based management and are assisting in public sector reform programmes.

ENABLING BUSINESS ENVIRONMENT

Several partners (e.g. ADB, AusAID, and NZAID) focus on the importance of an enabling policy and business environment for private sector-led economic development in the region. They are supporting the work of Pacific Financial Technical Advisory Centre[16] (PFTAC) of the International Monetary Fund, which is providing capacity building to strengthen tax and customs policy, public financial management, financial sector supervision and regulation, and economic and financial statistics. ADB have also supported in-depth private sector assessments throughout the region.

BUSINESS ENTERPRISE DEVELOPMENT

The IFC, Australia, NZ and EU/CDE provide support to business enterprise development (through instruments such as the Private Enterprise Partnership for the Pacific, the Enterprise Challenge Fund and business strengthening technical assistance for SME). New Zealand has supported Small Business Enterprise Centers (SBEC) in Samoa and in Solomon Islands and is funding support for enterprise development in PNG (Bris Kanda programme). The Australian Expert Service Overseas Programme (AESOP) Business Volunteers Ltd[17] provides assistance in the management of businesses, organisations and institutions for small and medium-sized businesses and organisations in the Pacific (the most active programme is in PNG) and also skills and expertise to larger businesses operating in the Pacific which are willing to pay all costs and overheads.

The private sector development component of the PIFS Economic Governance Programme, including the Industry Development & Training Project (IDTP); Market Support Fund (MSF); and Short Term Advisory Services (STAS) provides further assistance in this area. FAO has provided through Technical Cooperation Projects (TCP) support for capacity building in farm management and small agri-business development (e.g. Tonga and Cook Islands) and UNDP is supporting small enterprise development in FSM.

INVESTMENT IN INFRASTRUCTURE (including roads, ports and jetties, affordable shipping, telecommunications and market facilities).

Lack of good infrastructure is undermining agricultural productivity in many countries in the region, Recognising the crucial importance of improved transport and

[16] The Pacific Financial Technical Assistance Centre (PFTAC) was established in Fiji in 1993 to provide technical advice and capacity building to 15 Pacific island countries (PICs). The Center is operated by the IMF in consultation with the governments of the PICs and the donors supporting it.

[17] The AESOP is a non government organization (largely funded by AusAID). The head office is in Canberra, Australia. In the Pacific there are regional offices in the Cook Islands, the Fiji Islands, the Federated States of Micronesia, Kiribati, Papua New Guinea, Samoa, Tonga, Tuvalu and Vanuatu. Other regional offices are located in Cambodia, Laos, Thailand and the Philippines.

communications infrastructure for private sector-led development (particularly for allowing trade in goods and services) development partners are focusing increased support in this area.

Australia is funding a major "Infrastructure for Growth Initiative" in the region and ADB, Australia, NZ, Japan, China and Taiwan, WB, US and the US Millennium Challenge Corporation (active only in Vanuatu) are providing support to countries in the region to upgrade infrastructure and improve management (including community involvement) and maintenance programmes. ADB is taking a lead role strengthening coordination and leveraging donor support for essential infrastructure development in a number of countries (e.g. SI & PNG). The overall aim is improving the delivery of infrastructure services, which will create an enabling environment for the private sector.

LAND REFORM

To take advantage of agricultural opportunities, people need to have secure access to land. AusAID (in PNG, SI and Vanuatu) and ADB (in Kiribati, RMI and Samoa) are assisting government-led initiatives to address land related reforms including land registration and improved leasing arrangements. PIFS and SPC are also working on a comprehensive synthesis of land management and conflict minimisation in the Pacific, possibly leading to a regional approach to land management project.

AGRICULTURE (Crops & livestock) PRODUCTION/FARMING SYSTEMS

At the regional level three projects provide support for smallholder agriculture/farming systems development (the SPC implemented DSAP, the FAO implemented RPFS and the FSPI implemented MORDI), the current phase of all these projects should complete in 2008. ACIAR provides some multi-country support for research and development projects (primarily in pest and disease management). AusAID and ACIAR are focusing considerable assistance for research and development activities aimed to support the development of smallholder agriculture in PNG and are also providing support to this sector in Solomon Islands (e.g. TSAP project). EU through STABEX funds provides some support in PNG, SI, and Tonga and under the sugar adaptation plan in Fiji. Taiwan provides significant support (particularly for demonstration/extension activities) in this area in seven PICs[18] and China and Japan provide support mainly in PNG. The WB is also funding a smallholder agriculture development project in PNG.

FORESTRY

The Pacific-German Forestry Project (implemented in partnership with SPC) is currently the only donor funded regional project in forestry (the current phase of this project will conclude in 2008 and subsequent support will focus on climate mitigation activities). Both SPC and FAO through their work programmes provide support in this area. AusAID is funding forestry activities in PNG and Solomon Islands and is considering support for an agroforestry project in Samoa. The EU (including EIB) funds forestry activities in Solomon Islands and ACIAR is providing support in Vanuatu, and USDA Forest Service in RMI.

[18] Taiwan provides through technical missions support to Fiji, Kiribati, Nauru, PNG, Solomon Islands, RMI, Tuvalu.

The Asia Pacific Forestry Commission Secretariat also provides capacity building support to the region, and they are (together with FAO) assisting the countries prepare Country Sector Outlook Reports.

FISHERIES

Fisheries development and management in the region is supported by the work programmes of SPC and FFA and FAO. Significant donor funded project support has also been implemented through the CROP agencies (including EU funded DEVFISH, PROCFISH, SCIFISH and the multi-donor funded Tuna Tagging project). Considerable attention has been devoted to improving the scientific knowledge-base to improve both oceanic (largely Tuna) and coastal fisheries management. The French supported CRISP initiative and the WorldFish Centre focus on reef fisheries and aquaculture research and development. Japan (JICA) provides support to coastal fisheries/aquaculture in seven PICs and ACIAR, FAO and Taiwan also provide support for aquaculture development in a number of countries. New Zealand supports marine resources (institutional and organizational strengthening) in Cook Islands and Solomon Islands and Australia has supported this area in Tonga. The EU, ADB and Japan have assisted coastal fisheries development in PNG.

GEF funding is assisting the PICs to improve the contribution to their sustainable development from improved management of transboundary oceanic fishery resources and from the conservation of oceanic marine biodiversity generally.

TRADE

Harnessing regional and international trade to catalyse economic development is a strategic focus for several donor supported programmes. Australia, New Zealand, and EU provide significant support in this area through projects, capacity building and investment centers (e.g. the NZ and Australian PITIC[19]). PIFS and SPC are the lead CROP agencies implementing programmes in this area (e.g. Aus/NZ- RTFP, EU-PACREIP, EU-FACT). An EU funded all ACP Commodity Trade programme will provide some additional support in this area. FAO through work programme activities, TCP projects (e.g. processing regional agriculture trade statistics project implemented by SPC) and the RPFS (with funding from Italy) is providing training and capacity building activities to support trade negotiations and develop commodity/value chain approaches. AusAID (& NZ) are scoping possible support for a Pacific Regional Agricultural Market Access project (PRAMA).

UNDP is assisting five countries (Kiribati, Samoa, Solomon Islands, Tuvalu and Vanuatu) access and implement trade support funded from the Integrated Framework for Trade Related Assistance to Least Developed Countries (IF). The EU provides trade capacity building support in PNG and includes in all the Country Strategy Papers for the 14 ACP PICs opportunity for additional technical assistance to support trade and for

[19] Pacific Islands Trade and Investment Commission (PITIC) which are institutions of the PIFS are based in Auckland, Sydney, Tokyo and Beijing.

Economic Partnership Agreement (EPA) implementation. The Commonwealth Secretariat also provides trade related technical assistance.

IFAD is supporting development of organic agriculture standards and certification in the region (implemented by SPC and IFOAM) and Oxfam supports in this area and for Fair Trade development (particularly through the NGO- Women in Business Development Incorporated in Samoa)

FOOD (and WATER) SAFETY/STANDARDS/QUALITY

Global collaboration initiatives between FAO and WHO are providing capacity building activities to the region in the areas of Codex Alimentarius, application of HACCP and microbiological risk assessment. The regional work programme activities of FAO and WHO provide additional technical assistance to food safety/standards policy, regulations and legislation. The FAO implemented RPFS also provides capacity building activities in this area.

The EU, NZAID and AusAID are funding regional activities aimed at improved water resource management, improve access to safe water, reduced water related diseases and preparation of water safety plans (WHO and SOPAC are the main implementing partners in these activities). A large GEF-PAS funded project (Implementing Sustainable Integrated Water Resource and Wastewater Management) will provide additional assistance to the region. The EU has identified water as a focal sector for support in PNG, Samoa, Fiji, Cook Island and Tuvalu. ADB, NZ, Australia and Japan also provide assistance to this sector in a number of countries.

RESOURCE CONSERVATION/REHABILITATION

(*Information in this section is largely extracted from the "GEF Pacific Alliance for Sustainability Programme Framework Document"*)

The Global Environment Facility has been a major source of funding in the area of natural resource conservation (the main implementing partners are SPREP,UNDP, and UNEP).Almost 90% of GEF projects in the Pacific SIDS are enabling activities in the focal areas of biodiversity, climate change and persistent organic pollutants (POPs). They have focused on fulfilling international reporting requirements. Several countries have also received funding to conduct more detailed resource assessments while a few were supported to initiate renewable energy and community-based biodiversity conservation projects. In International Waters, countries received GEF preparation funding to develop a regional Strategic Action Programme of their priority water-related concerns and then implemented a project to address two of those concerns: coastal management with help from SPREP, and negotiation of an ecosystem-based fisheries treaty with help from the FFA. Following ratification of the signed treaty, which is aimed at conservation of their shared tuna stocks, GEF funded another International Waters project to help the countries with FFA once again to undertake national policy reforms consistent with the treaty and catalyze operations of their joint Commission under the treaty.

In Land Degradation, countries are being supported to prepare their national action plans and identify possibilities for mainstreaming them. A major POPs project was funded by

Australia. This was to identify, collect and ship toxic wastes, including POPs. GEF also funded some enabling activities related to POPs. Progress in completing many of these projects and related activities has been slow relative to that in other regions, with a few countries still to conclude their projects.

The recently launched GEF-PAS programme will significantly increase support to the region in four areas of concern: Biodiversity; Climate change mitigation and adaptation; International waters; and Cross-cutting issues integrated across sectors such as land and water management.

Major bilateral donor agencies in the region (particularly AusAID and NZAID) have also been active in assisting PICs to address environmental concerns.

CLIMATE CHANGE/DISASTER PREPAREDNESS

The areas of Climate Change (mitigation and adaptation) and disaster preparedness are increasingly receiving attention by all the major development partners in the region. Australia and New Zealand have signaled substantial increase in funding to these areas. ADB (May 2008) has announced that they are establishing a new Climate Change Fund[20] to slow the onset of climate change and to help the Asia/Pacific region adapt to the impact of global warming. EU, WB and several other partners (including Italy and the US) are providing support. GEF-PAS will add additional support for adaptation and mitigation activities (e.g. building resilience to climate change, implementation of national adaptation programmes of action, promoting energy efficiency and renewable energy applications and technologies). The CROP agencies SOPAC, SPREP and SPC are leading partners in these activities.

World Bank, Australia and New Zealand have been supporting an innovative "prototype" climate change adaptation programme in Kiribati (the KAP) now entering the second phase. World Bank have fielded (first half 2008) a regional stock taking which should provide a detailed analysis of activities in the areas of climate change and disaster preparedness and which will also lead to preparation of a business plan for implementation of actions at national level (several countries) and at sub-regional level.

Relationship between Ongoing and Planned Activities and the FSSLP

The overall development goal of the Food Security and Sustainable Livelihood Programme (FSSLP) in the Pacific Islands is to improve food security[21] in 14 Pacific

[20] ADB will provide an initial US$40 million to the Climate Change Fund, which will be open for further contributions from other partners. The purpose of the fund is to facilitate greater investments in developing countries in Asia and the Pacific to address the causes and consequences of global warming. Money from the fund will be used to provide grant financing for technical assistance, investment projects, research and other activities.

[21] It is now widely accepted that four key dimensions of food security are: a) *availability* (sufficient quantities of appropriate quality, through domestic production or imports); b) *access* (of individuals to adequate resources for acquiring appropriate foods for a nutritious diet); c) *utilization* (through adequate diet, clean water, sanitation and health care to reach a state of nutritional well-being); and d) *stability* (the

Island Countries. The major outcomes anticipated are: a) increased and sustainable food availability and access; b) improved food safety and diets; and c) stability in agricultural production and household incomes. Specific programme components and sub-programmes feed into one or more of these outcomes. These interventions would also, directly or indirectly contribute to existing initiatives relating to achieving the MDGs, in particular MDGs 1, 7 and 8 (poverty reduction, environment, and partnerships).

Vertical Component

A list of country projects under the vertical components have been identified by the RPFS formulation mission during early 2007. Based on a recent consultative workshop in Apia (17 - 19 October 2007), dialogue with senior country officials, these have now been updated, prioritised and clustered under six sub-programme areas within the umbrella programme as follows:

Sub-programme 1.1	Farming Systems & Rural Livelihoods Enhancement
Sub-programme 1.2	Sustainable Fisheries and Aquaculture Development and Management
Sub-programme 1.3	Transportation, Market Infrastructure & Value Chain Development
Sub-programme 1.4	Food Safety and Nutritional Health Enhancement
Sub-programme 1.5	Institutional Strengthening, Operational Support to Development Planning and Implementation Agencies
Sub-programme 1.6	Area Development, Resource Rehabilitation & other Country Specific Projects

The country projects were identified through a process which was country-led with an express aim to complement other activities and to avoid duplications with other ongoing or planned interventions. FSSLP proposed country projects generally support production activities on areas specifically identified by the participating countries as their perceived priorities in the areas of agriculture, forestry and fisheries. The activities thus cover a broad spectrum ranging from developing fruit production and household food gardens, pig production, small scale water harvesting and irrigation to fishing and small scale crop and fish processing. Several of the proposed projects are to up-scale successful RPFS pilot-phase projects. However, each specific country proposal is subject to further assessment and design/ redesign on a case by case basis. At programme inception and prior to commencement of implementation at country level, support will be provided to help facilitate full detailing of country projects, and reconfirm with national authorities specific activities to be undertaken as well as anticipated project results and outcomes. Detailed action plans for country specific projects as well as the regional horizontal programme activities would be prepared at this time.

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foregoing not lost as a consequence of sudden shocks or cyclical events). See: FAO. 2006. *Food Security.* Policy Brief Issue No. 2.

Examination of ongoing or planned activities for the 14 PICs reported on in this study (refer country overviews Appendix 1) can help to identify areas where there needs to be a closer analysis made of development partner activities to ensure complementarity and maximum synergies between interventions.

- In five countries (FSM, Fiji, Nauru, Niue, RMI and Tuvalu) there are no identified linkages between proposed country activities for the FSSLP and ongoing national activities supported by other development partners. Indeed, in these countries the FSSLP would be a major vehicle for supporting national strategic priorities.
- In the Cook Islands NZAID are supporting a marine resources institutional strengthening project (CIMRIS) which should enhance the implementation environment for the proposed FSSLP activities in this sector including for aquaculture and a snapper fish industry development project.
- In Kiribati, IFAD/SPC is supporting an Atoll Agriculture Centre of Excellency; SPC DSAP has provided support for home gardening and prior to that the EU Pacific Regional Agriculture Programme (PRAP) provided a ten-year support project in this area. The FSSLP is proposing an integrating atoll farming system project. It will be important to coordinate this activity with ongoing and planned work of the other agencies and for it to build on lessons learned from earlier work
- In Palau ROC, JICA and an FAO TCP provide some support for aquaculture projects. The FSSLP will bring additional support in this area.
- PNG has a substantial development assistance programme in the sectors of this study. PNG also is developing an up-scaled national programme for food security. The FSSLP proposed activities will need to be carefully coordinated with other activities in the sectors. FSSLP is proposing support for expansion of a rice production project which will extend activities under the RPFS pilot phase to regions not currently being covered by other development partners (China, ROC and Japan).
- In Samoa the FSSLP is proposing to provide additional support to ongoing work undertaken by WIBDI in value adding, organic certification and organic farming.
- Solomon Islands receive substantial support to the sectors under study from Australia (AusAID, RAMSI and ACIAR), EU, NZ, WB and ROC. Several of these donors are coordinating their support to an Agriculture and Rural Development Strategy through a rural development programme. NZAID provides organisational strengthening support to the Ministry of Fisheries and Marine Resources (SIMROS) to strengthen sustainable management of fisheries resources and aquaculture. ACIAR's programme has had a strong fisheries emphasis, including economic and technical research to support the development of sustainable livelihood opportunities based on the culture of coral reef animals. Much of the latter has been underpinned by partnership with the WorldFish Centre, which maintains an active research facility (for both freshwater and marine) in the Solomon Islands. The proposed FSSLP project to relocate a freshwater hatchery to a more suitable site and for some additional training would benefit through close cooperation with the WorldFish Centre. The SI government is trying to establish a cattle heard in the country and are receiving some support

from ROC for import of breeding cattle. Additional support will be required over the coming years to get the industry up and running and the FSSLP would assist with this. Australia has assisted through provision of a new food testing facility (recently opened) and EU has provided capacity building support in this area (particularly related to fish). FSSLP proposed support is designed to extend the range of food testing and build further capacity in this area.

- In Tonga ACIAR have provided support for preparation of livestock feed from local products and EU STABEX funds also support a project in this area, these projects should complement the project for feed mills proposed for the FSSLP. EU STABEX funds also support a project for improved (off-season) vegetable production which should be coordinated with vegetable production projects proposed under the FSSLP.
- In Vanuatu JICA is supporting aquaculture hatchery rehabilitation at the Department of Fisheries, re-stocking enhancement and integrated community-based fisheries resources management. Target species are: green snail, trochus and giant clams. Aquaculture projects proposed for the FSSLP target freshwater prawns and tilapia and an improved research facility. These projects should complement other support in this area. The FSSLP has proposals for funding equipment for quarantine surveillance and NZAID has provided support for similar equipment. Currently four major development partners have indicated their intention to provide coordinated assistance to the agriculture sector (AusAID, NZAID, EU and France) and are currently defining the nature of this assistance. China also provides support to this sector. FSSLP should work closely with this coordination process.

Horizontal Component
Tailored as appropriate to sub-regions and specific countries, and focusing primarily on capacity enhancement and provision of technical and facilitation support, FSSLP will implement four sub-programmes across the region:

Sub-programme 2.1	Regional Food Quality & Safety Improvement
Sub-programme 2.2	Regional & International Trade Facilitation
Sub-programme 2.3	Natural Disasters and Climate Change Preparedness, Adaptation & Mitigation
Sub-programme 2.4	Policy & Programme Development Support

The Climate Change sub-programme 2.3 will consist of the following four components:

- Agricultural Diversification (crop and tree genetic resources enhancement)
- Integrated Coastal Area Management.
- Land and Water Management and Use.
- Technical Coordination Support.

Further elaboration of the climate change sub-programme will follow a more detailed preparation work relating to issues of crop and tree genetic resources, coastal area management, and land and water resource use and management. FAO is currently undertaking an assessment of climate change on agriculture and food security in the Pacific through case study assessments in three countries (RMI, Vanuatu and Cook Islands). The results of these country case assessments should help clarify priorities for action and support in this area.

This study identifies ongoing (and planned) development partner support to the four areas proposed for the FSSLP (refer to the regional overview in Appendix 1 for full details). These are summarized below:

Currently Active and Upcoming Donor Supported Programmes in the Horizontal Component Areas of the FSSLP

FSSLP Horizontal Sub-programme	Development Partners	Programmes/Projects	Focal Areas	Implementing Partner Agencies
Regional Food Quality & Safety Improvement	AusAID, NZAID	RTFP Regional Trade Facilitation Programme	Standards and conformance component: Integrated food standards project	PIFS, WHO, FAO
	ITALY	RPFS Regional Programme for Food Security	Food Regulations in International Trade for Pacific Island Countries	FAO
	WTO	STDF Standards and Trade Development Facility	Developing Food Standards within a Risk Analysis Framework	FAO
Regional & International Trade Facilitation	AusAID, NZAID	RTFP Regional Trade Facilitation Programme	Customs procedures, standards and conformance, sanitary/phytosanitary (animal and plant hygiene)	PIFS, SPC, OCO,
	ITALY, FAO, (NZAID)	RPFS Regional Programme for Food Security	Trade Negotiations, Regional and International Trade Agreements (WTO Roundtable) Commodity/Value Chains	FAO, SPC
	EU	PACREIP Pacific Regional Economic Integration Programme	PICTA Implementation, EPA Negotiations, WTO participation, regional economic integration (biosecurity/customs) tourism development, environmental impact assessment	PIFS, SPC, SPTO SPREP
	EU	FACT Facilitating Agricultural Commodity Trade	Commodity supply chains, market development, enterprise development, partnering and sharing	SPC

FSSLP Horizontal Sub-programme	Development Partners	Programmes/Projects	Focal Areas	Implementing Partner Agencies
Regional & International Trade Facilitation	EU	All ACP Commodities Programme	Commodity chains, domestic and trade policy	FAO, WB, UNCTAD, ITC, CFC, SPC
	FAO	Assistance for Processing of Regional Trade Statistics of Agricultural Commodities	statistics	SPC
	AUSAID, NZAID	PRAMA Pacific Regional Agriculture Market Access Project (project is being scoped and designed)	Product targeting, market access, meeting import quarantine requirements	SPC, Australia Customs & DAFF
Natural Disasters and Climate Change Preparedness, Adaptation & Mitigation	AusAID	Vulnerability and Adaptability Project	Community adaptation projects, water supply, climate impact research, energy	
	AusAID	South Pacific Sea Level and Climate Monitoring Project (Phase IV)	Assembling climate change related data	Australian Bureau of Meteorology (BOM),
	AusAID	Pacific Island Climate Prediction Project Phase 2	Long-range climate prediction	Geoscience Australia, SOPAC BOM, 10 PICs National Met. Services
	AusAID	Disaster Preparedness	Response procedures, coordination, training	FSPI, SOPAC
	GEF	PICCAP Phase 11	Climate Change Enabling Activities	UNDP
	GEF	Climate Change Training (Global project)		UNDP
	GEF	PIGGAREP	Reduction of GGE renewable energy	UNDP, SPREP

FSSLP Horizontal Sub-programme	Development Partners	Programmes/Projects	Focal Areas	Implementing Partner Agencies
Natural Disasters and Climate Change Preparedness, Adaptation & Mitigation				
	GEF	SEFP Sustainable Energy Financing Project	Supporting adoption of renewable energy options	WB, IFC
	GEF-PAS	PACC Pacific Adaptation to Climate Change Project	Building resilience to climate change	UNDP,SPREP
	US	Managing Climate Change to ensure food security	Crop genetic resources	SPC
	EU	Disaster Risk Reduction Project	Planning and implementation of priority actions	SOPAC
	NZAID	Pacific Regional Environment programme	Reduce vulnerability to climate change	
	GEF-PAS	Implementing Sustainable Integrated Water Resource and Wastewater Management in the Pacific Island Countries	Pacific Regional Environment Programme	UNDP, SOPAC
Policy & Programme Development Support	ADB	Strengthening Pro-poor Policy	Capacity building national policy	
	ADB	Support for Results-based Management	Capacity building for results based planning	
	ITALY/FAO	RPFS Regional Programme for Food Security	Capacity building in agriculture policy processes	FAO
	EU/CTA	PAFNet Pacific Agriculture and Forestry Network	Capacity building for Agriculture & Forestry policy through networking and information	SPC, PIFS, USP, SPREP, FAO
	FAO	Asia-Pacific Forestry Commission	Capacity building and training in forestry policy processes	SPC/FAO/GTZ

For the component "Regional Food Quality & Safety Improvement", FAO and WHO are the lead agencies currently providing assistance through global programmes and through their regional work programmes and projects. The proposed FSSLP activities should build on this. For the component "Regional & International Trade Facilitation" it is clear that there are a significant number of interventions ongoing and planned in the region. The FSSLP will need to harmonise proposed support through partnerships and coordination with the lead regional agencies SPC and PIFS. The component area "Natural Disasters and Climate Change Preparedness, Adaptation & Mitigation" is also one which is currently receiving increased attention by all major development partners in the region. The specific nature of activities to be supported in this area, in many cases, is still being defined. FAO's country case assessments should help prioritise areas where

the FSSLP can bring its comparative advantage. The final component "Policy & Programme Development Support" is one where FAO brings considerable comparative advantage for the agriculture (including forestry and fisheries) sector.

Suggestions for Further Development of the Outputs of the Mapping Exercise

The current mapping exercise is a useful starting point from which to identify what development support the 14 PICs are receiving in the sectors of the study. Because of the breadth of the study (both geographically and across sector areas) it cannot be considered as exhaustive. The report makes no attempt to evaluate the quality, effectiveness or impact of the reported interventions. Therefore no firm conclusions can be drawn on whether or not the particular development needs of a country are being met.

A useful next step would be to analyse the data (at the country level) within the national development framework, and thus identify how the current and planned development support is being aligned to help achieve country development priorities.

The data may be tabulated and structured to form a database for easier retrieval and updating. However because of the programmatic nature of many interventions careful attention will have to be paid to categorizing and coding the information. Ideally the DAC[22] code descriptions should be adopted as these are commonly agreed and used by all major development partners.

Conclusions

After a number of years of neglect both by development partners and in national budgets, Agriculture is back on the development aid agenda, seen as a key to both spurring growth and getting large numbers of people out of poverty, and as a key route to meeting the Millennium Development Goals (MDGs)[23]. The current sustained trend of rising world commodity prices and oil prices will inevitable bring food security stresses to the remote and poorer areas of the Pacific. However the effects will be felt unevenly, as those countries which produce significant export earnings from tree crop commodities (PNG in particular, and SI, Vanuatu and Kiribati to a lesser extent) are gaining benefits from the higher world prices. The higher prices paid for imported foods (rice and wheat) may also act as a spur to production of locally produced staples. All countries in the Pacific which have the potential to increase their production of locally harvested food for self-sufficiency and local marketing should be supported through targeted government policies and coordinated development partners' assistance[24].

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[22] The sector code identifies "the specific area of the recipient's economic or social structure which the transfer is intended to foster". In DAC reporting (as well as in most donors' internal reporting systems), each activity can be assigned only one sector code. For activities cutting across several sectors, either a multisector code or the code corresponding to the largest component of the activity is used.

[23] Reference: World Development Report 2008: Agriculture for Development. World Bank Washington, DC.

[24] Reference: Living With High Prices—A Policy Brief. Mandaluyong City, Philippines: Asian Development Bank, 2008

However, development of the agriculture sector in the Pacific will only come about in an environment where stability and good governance operates. It will be driven by private sector-led activities which also include small-scale farmers. Government has an important facilitating role through supporting a strong enabling policy and business environment, improved transport and communications infrastructure, information and skills training, secure access to land and access to affordable financial services[25]. A consolidated and integrated country-led approach is required. Regional integration and a strengthened regional architecture to deliver policy and technical support to the countries in the region are also necessary. It is within this context that the key development partners to the region are defining their operational focus for assistance to the sector.

Significant support is going to the larger Melanesian countries where progress in achieving Millennium Development Goals has been weak. These are also countries which have considerable potential to improve economic growth and alleviate poverty through development of the productive sectors. However, many of the smaller island countries, particularly the atolls, are facing increasing challenges regarding food security (including nutritional health) and will need an additional focus of development assistance to address these challenges.

Key observations and conclusions are listed below:

- For many PICs development support (and national budget allocation) to the agriculture sector (particularly for productivity) has been relatively small over recent years.
- Development partners are paying particular attention in the way they do business to aid effectiveness, by stressing country ownership, alignment and harmonisation, and managing for development results.
- Several key donors have, or are in the process of, decentralizing their development cooperation management responsibilities to field post offices in the PICs (e.g. EU, AusAID, ADB, and WB).
- Almost all development partners use country-level strategies with linkages to partner country planning, particularly the local national sustainable development strategy.
- A donor mandate at the country level which is both clear and strategic provides a reliable basis for delegated decision making and a decentralised approach permits the donor to be more adaptive and responsive to locally expressed needs and to coordinate more readily with other partners.
- Several donors are exploring partnerships with joint strategies, implementation, and evaluation approaches (e.g. AusAID, NZAID, ADB and WB).
- An anticipated substantial increase in volume of aid to the agriculture and environment sectors will require improved instruments and approaches for delivery.

[25] Reference: Pacific 2020, Commonwealth of Australia, 2006

- Development partners are concentrating and focusing their assistance to sectors where they have comparative advantage and to streamline administration.
- There is an increased use of competitive funds for R&D support and for enterprise development.
- Whilst there is an increased interest in budget support mechanisms (general and sector) this has not been widely adopted yet in the PICs and there are no SWAps in agriculture.
- Despite efforts to improve donor harmonization and promote joint funding arrangements, the project approach still dominates in the sector.
- Donor fragmentation remains a significant challenge, and building coherence across development interventions should remain a priority.
- More emphasis needs to be placed on division of labour according to agency comparative advantages, in pursuit of complementarity of development interventions in the field[26].
- The FSSLP could be a focal point for cooperation and coordination in the development of the broader agriculture sector in the Pacific region.

[26] Reference: Lydia Cabral. Accra 2008: The bumpy road to aid effectiveness in agriculture. ODI Natural Resources Perspectives 114, April 2008.

APPENDIX 1: Summary Tables

TABLE 1. Bilateral Development Partners Active at the Regional Level in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary Partner Countries	Instruments/Approaches
AUSTRALIA **AusAID**	Australian Aid: promoting Growth and Stability- White Paper 2006. Pacific Regional Aid Strategy 2004-2009 Aid and Environment – building resilience and sustaining growth (2007) AusAID Development Research Strategy 2008-2010 Valuing Pacific Fish: a framework for Fisheries-related development assistance in the Pacific (2007) Food Security Strategy (2004)	➢ More effective, accountable and democratic government ➢ Stronger broad-based growth ➢ Improved service delivery ➢ Improved law and justice and security ➢ Improving management of natural resources ➢ Increasing community resilience ➢ Conservation of natural heritage ➢ Quality research that is well communicated ➢ Informs Policies and programmes ➢ Builds capacity of researchers and research users ➢ Maximising the flow benefits to Pacific island peoples from sustainable commercial and subsistence fisheries ➢ Implementing effective ecosystem based fisheries management for sustainability ➢ alleviate poverty and improve access to food ➢ ensure agricultural trade fosters food security ➢ promote rural development ➢ assist developing countries to meet international food standards ➢ enhance women's access to resources ➢ ensure children and other vulnerable groups have access to food ➢ prepare for disasters and emergencies ➢ undertake agricultural R & D.	Enhanced focus on Melanesia (PNG, SI, Fiji, Vanuatu) Important development partners. Samoa, Tonga, Kiribati, Nauru and Tuvalu Limited development partnership with Micronesia, Cook Islands, Niue and Tokelau, harmonised to the greatest possible extent with New Zealand.	GRANT AID provided through: Core programme funding to regional agencies (e.g. PIFS, FFA, SOPAC, SPC, SPREP, USP etc.) Competitive funds (e.g. enterprise challenge fund) Regional projects implemented by (primarily) Australian contractors Support to regional NGOs Funding to multilateral Banks (e.g. WB & ADB). Contribution to Global Facilities (e.g. GEF)

Development Partner	Strategic Documents	Development Objectives	Primary Partner Countries	Instruments/Approaches
AUSTRALIA **ACIAR**	ACIAR Annual Operational Plan for 2007-08	➢ advancing Australia's national interest ➢ Improving incomes through more productive farming systems ➢ sustainable management of forest and fisheries resources ➢ improved biosecurity and pest and disease management ➢ farming systems economics and marketing.	Bilateral country programmes with PNG and the Pacific island countries: Samoa, Solomon Islands, Tonga and Vanuatu. Multi-country projects covering more than one country in the region	GRANT AID through: R&D project funds implemented by partnerships between Australian and regional/national agencies and NGOs
CANADA		➢ To foster sustainable development as a vehicle for promoting economic progress and regional stability	14 Forum Island Countries (FICs)	GRANT AID through: UNDP implemented programme funds Small grants programme Contribution to global funds (e.g. GEF)
FRANCE	N/A		14 FICs but main focus on Vanuatu and OCTs	GRANT AID through: Core programme funds to regional agencies (SPC, SPREP) Research funds (e.g. CRISP Initiative) Competitive fund (e.g. Pacific Fund) Contribution to EDF
GERMANY/GTZ	N/A		Cook Islands, Fiji, FSM, Niue, Samoa, Tonga ad Vanuatu	GRANT AID through: Project implemented by GTZ in partnership with SPC Contribution to EDF
ITALY	N/A	➢ supporting initiatives which adopt a regional approach and give priority to the capacity building and to food security ➢ promoting sustainable development in the small islands of the Pacific	14 FICs	GRANT AID through: Regional Projects (e.g. FAO RPFS). National projects (e.g. UNDESA sustainable development plans). Contribution to EDF

Development Partner	Strategic Documents	Development Objectives	Primary Partner Countries	Instruments/Approaches
JAPAN	Japan's Assistance Plan (Okinawa , May 2006) Supports Pacific Plan	➢ economic development ➢ sustainable development ➢ good governance ➢ security ➢ people to people communication and exchange	14 FICs	GRANT AID through: Large Grant Aid & Grass roots projects implemented nationally. JICA TA implemented nationally but with some regional strategic framework (e.g. coastal fisheries/ aquaculture projects) Projects for regional agencies (e.g. USP, SPREP, FFA) LOAN FUNDS (national) Support to multilateral banks and international agencies (e.g. ADB and FAO)
NEW ZEALAND **NZAID**	Pacific Strategy 2007-2015 Environment and International Development Policy Harnessing International Trade for Development Policy	➢ strengthened governance ➢ broader-based growth and improved livelihoods ➢ improved health and education ➢ reduced vulnerability ➢ Enhanced capacity of poor people to manage their environment ➢ Improved environmental governance for the poor ➢ Targeted policy engagement on trade and development issues ➢ trade-related programming that supports developing countries' ownership of trade policies ➢ participation in multilateral trade processes, trade access and efforts to develop policies and institutions to harness trade for development.	14 FICs but NZAID's largest engagements in the region are with Papua New Guinea, Solomon Islands and Vanuatu. Also has a major development relationship with five other countries – Fiji, Kiribati, Samoa, Tonga, and Tuvalu. Budgetary and technical assistance is also provided to Niue and Tokelau**,** and NZAID is the largest donor in the Cook Islands.	GRANT AID through: Core programme funds to regional agencies (e.g. FFA, PIFS, SOPAC, SPC, SPREP, USP). Programme funds to NGOs (e.g. Oxfam, FSPI, WIBDI) Projects implemented by regional agencies (RTFP, Tuna Tagging) NZ Government Agency Fund Funds for regional initiatives (e.g. PFTAC)

Development Partner	Strategic Documents	Development Objectives	Primary Partner Countries	Instruments/Approaches
UNITED STATES	Compacts of Free Association	for grants for education, health care, private sector development, the environment, public sector capacity building, and public infrastructure, with priorities in the education and health care sectors	14 FICs with priority on FSM, RMI, Palau,	GRANT AID through: Sector grants, Core funding to regional agencies (PIDP, SPC, SPREP,) projects (e.g. environment projects) Contribution to global facilities (e.g. GEF) and international agencies Millennium Challenge Corporation (to LDCs only Vanuatu to date)

Table 2. Multi-lateral Development Partners Active at the Regional Level in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary Partner Countries	Instruments/Approaches
ASIAN DEVELOPMENT BANK (ADB)	Responding to the Priorities of the Poor: A Pacific Strategy 2005-2009 Regional Operations Business Plan 2007-2010	➢ opportunities to earn cash income ➢ better access to basic social services ➢ supporting the provision of priority Public Goods ➢ improving the environment for private sector development ➢ improving outcomes in member countries and regional organizations in managing for development results	13 FICs (excluding Niue) plus Timor Leste. Priority focus PNG, Samoa, Fiji	Concessional LOAN FUNDS[27] (not active at regional level). GRANT AID through: Technical Assistance, Support to agencies such as PFTAC
EUROPEAN UNION (EU) **European Commission (EC)**	EU relations with the Pacific Islands – a strategy for strengthened partnership 2006.	➢ stronger political relations on matters of common interest such as global political security, trade, economic and social development and the environment; ➢ more focused development action, with greater emphasis on regional cooperation to build up critical mass, enhance regional governance and facilitate mutual enrichment; and ➢ more efficient aid delivery, including greater use of direct budget support and closer coordination with other partners, in particular Australia and New Zealand.	14 FICs (Pacific ACP countries)	GRANT AID through: Regional projects (implemented primarily by CROP agencies) Sub-regional programmes (e.g. multi-country energy programme, disaster preparedness programme) Intra all ACP projects and programmes (e.g. all ACP Commodities Project). Competitive grant projects (general budget line calls for

[27] Under the new ADF grants framework, ADF-only countries are eligible for grants. Five PICs are eligible to receive all or a substantial share of their assistance as grants, at least initially (2007–2008). These countries are Samoa (the grant component of ADF assistance is initially set at 50%), Solomon Islands (100%), Timor-Leste (40%, to the end of 2008), Tonga (50%, dependent on a formal reclassification under the graduation policy), and Tuvalu (100%). A number of countries in the Pacific do not have access to ADF grants (FSM, Kiribati, the Marshall Islands, PNG, Vanuatu, and, from 2009, Timor-Leste). For these countries, engagement will be limited to ADF loans and TA

Development Partner	Strategic Documents	Development Objectives	Primary Partner Countries	Instruments/Approaches
European Commission (EC)	Regional Strategy and Regional Indicative Programme 2002 – 2007 for the 9th EDF Regional Strategy and Regional Indicative Programme 2008-2013 for the 10th EDF (currently in draft)	➢ Regional Economic Integration ➢ Trade and Human Resource Development ➢ Human resources development ➢ sustainable management of natural resources		proposals) & Water & Energy Facilities Technical Assistance Agencies (e.g. CDE and CTA) Consessioal LOANs from EIB (and risk capital to Development Banks)
UNITED NATIONS AGENCIES (UN)[28]	United Nations Development Assistance Framework (UNDAF 2008-2012) for the Pacific Subregion[29]	➢ Equitable economic growth and poverty reduction ➢ Good governance and human rights ➢ Equitable social and protection services ➢ Sustainable environmental management	13 FICs (plus Tokelau), but excluding PNG. Priority focus on LDCs (Tuvalu, Kiribati, Samoa, SI, Vanuatu)	GRANT AID through: Global initiatives. Agency core funded work programmes (predominately TA, Training/Capacity Building). Leveraged project funds (e.g. GEF, Italy/FAO RPFS)
WORLD BANK (WB)	Pacific Regional Engagement Framework 2006-2009	➢ Improving the incentives for private sector-led growth and employment ➢ Strengthening government capabilities in service delivery Two major strategic priorities at regional level as regards rural development and natural resources management: ➢ safeguarding service delivery by improving resilience to natural hazards ➢ enhancing sustainable revenues from	Fiji, Federated States of Micronesia, Kiribati, Marshall Islands, Palau, Samoa, Solomon Islands, Tonga and Vanuatu. (Individual country assistance strategy for Papua New Guinea)[30]	GRANT AID: through strategic economic and sector work, multidonor dialogues to promote donor coordination on a thematic basis, targeted policy notes to disseminate key messages, and focused technical assistance to implement reforms. Leverage project funds (e.g.

[28] 15 UN agencies, programmes and offices in the Pacific – key agencies active in sectors of study: FAO, UNDP, and WHO also to lesser extent IFAD, UNEP, UNCTAD, UNDESA

[29] PNG has its own UN Framework Document

[30] WB assistance focuses mainly on bilateral programmes (in PNG, SI and Kiribati for sectors of this study)

Development Partner	Strategic Documents	Development Objectives	Primary Partner Countries	Instruments/Approaches
		resource-based sectors		GEF)
OXFAM INTERNATIONAL (Oxfam Australia & Oxfam NZ)	Pacific Regional Strategic Plan 2007-2012	The change goals focus on six areas: Economic justice; Essential services; HIV and AIDs; Human security; Gender; with Active citizenship as a cross cutting themes. under economic justice: ➢ More Pacific people, particularly those in vulnerable and marginalised communities, achieve their right to secure and sustainable livelihoods and, ➢ obtain a fair share of the benefits of social and economic development	Primary focus is in-country work in four Melanesian countries, Papua New Guinea, Solomon Islands, Vanuatu, and Fiji, Some work in Polynesia (e.g. Samoa)	GRANT AID through: working directly or through partners (e.g. project funds to local NGOs); sharing successful strategies and other experiences through exchanges, networks and specific training; conducting research into key issues; advocacy at national, regional and international levels; building the capacity of partners.
GLOBAL ENVIRONMENT FACILITY (GEF)	Pacific Alliance for Sustainability (GEF-PAS) Programme Document (draft)	Focal Areas: Biodiversity; Climate Change Adaptation; Climate Change Mitigation; International Waters; Persistent Organic Pollutants (POPs). ➢ Increased efficiency and effectiveness of GEF support to PICs ➢ sustainable environment and natural resource management	14 FICs (plus Timor Leste)	GRANT AID (with co-financing requirements) through: Enabling activities; Medium sized projects; Full sized projects With GEF implementing and executing agencies[31] in partnership with regional agencies (SPREP, SOPAC, SPC, FFA) and national government departments and agencies.

[31] GEF Implementing and Executing Agencies, including the World Bank, UNDP, UNEP, ADB, FAO, UNIDO and IFAD

Table 3. Bilateral & Multi-lateral Development Partners Active in Cook Islands in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/ Approaches
ITALY		Sustainable development of SIDs	Climate Change Adaptation	GRANT AID through: Project grant?
NEW ZEALAND **NZAID (also managing AusAID funds)**	Joint Country Strategy 2008-2017 (being finalised	➢ To support the delivery of quality education, health and social services ➢ strengthening public sector and civil society governance and service delivery; and assist in promoting sustainable livelihoods and an innovative and well-managed private-sector-led economy through: 1. Creating an enabling environment for economic growth based on NZAID Growth and Livelihoods policy 2. Strengthen Cook Islands Marine Resources Strategy and promote sustainable development of natural resources 3. Increased income and employment opportunities for outer islands ➢ Provide sound infrastructure that will support sustained growth and Outer Island development	Marine Resources Infrastructure (Outer Island water)	GRANT AID through Institutional strengthening project (private contractor implemented)
ADB	Country Strategy and Programme Update (CSPU 2004-2006) and the Country Operations Business Plan 2007-2009. A new Country Partnership Strategy (CPS) 2008-2012 is being finalised scheduled for approval in 2008.	➢ Private-sector-led environmentally sustainable economic growth through improved public infrastructure and improving public sector service delivery.	Disaster Preparedness Infrastructure (water/sanitation)	GRANT AID through: Technical Assistance Consessional LOAN FUNDS

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/ Approaches
FAO			Agriculture Policy, Farm management/marketing/agribusiness/ productivity	GRANT AID through: Technical Assistance/ capacity building
WHO			Food safety & nutrition	GRANT AID through: Technical Assistance/training
GEF			NCSA	GRANT AID through: Enabling activity (UNDP implemented)

Table 4. Bilateral & Multi-lateral Development Partners Active in FSM in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
JAPAN **JICA**			Fisheries/aquaculture	GRANT AID through: Technical Assistance experts and training
USA Department of Interior	Compact of Free Association (2003)		Environment Infrastructure	GRANT AID through: Sector grants
EU	CSP 2002-2007	Non-focal area	Environment/ conservation	GRANT AID through: NGO grant project
FAO			Aquaculture/fisheries	GRANT AID through: Technical Assistance/ capacity building
UNDP	UNDAF		Sustainable Livelihoods Micro-enterprise/ business development	GRANT AID through: Technical Assistance/ capacity building
GEF			NCSA	GRANT AID through: Enabling activity (UNDP implemented)

Table 5. Bilateral & Multi-lateral Development Partners Active in Fiji in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
ACIAR		Economic and technical research aimed at developing alternative crops to sugar and in understanding the impact of specific policy changes on Fiji's food production sector. Development in promising horticultural crops and post-harvest technologies and marketing options are being explored.	Pests & Diseases, Policy/socioeconomics, Value adding, Aquaculture	GRANT AID through: Project grants for research and development
JAPAN **JICA**			Fisheries/aquaculture	GRANT AID through: Technical Assistance experts and training
NEW ZEALAND			Sustainable Land Use Planning Quarantine/biosecurity	GRANT AID through Government Agency Contestable Fund (GAF)
Taiwan (ROC)			Agriculture productivity	GRANT AID through: Technical Assistance experts/ training and equipment/inputs
ADB	Country Strategy Programme Update (CSPU 2006-2008)	➢ generate private sector-led growth ➢ deliver affordable basic social services ➢ improved local governance ➢ establish effective development institutions	Alternative livelihoods[32] Commercial Agriculture	GRANT AID through: Technical Assistance Consessional LOAN FUNDS
EU	National Adaptation Strategy for Sugar	➢ Strengthening the competiveness of the sugar cane sector ➢ Promoting economic diversification so as to generate alternative livelihoods for those exiting the sugar cane sector ➢ Social mitigation measures	Alternative livelihoods Commercial Agriculture Infrastructure	GRANT AID through: Project grants
FAO			Policy/ Food Processing	GRANT AID through: T A/ capacity building

[32] Projects have been cancelled by Interim Government

Table 6. Bilateral & Multi-lateral Development Partners Active in Kiribati in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
AusAID/NZAID	Joint Country Strategy in preparation		Climate Change Adaptation	GRANT AID through: WB implemented project
JAPAN **JICA**			Fisheries Infrastructure	GRANT AID through: Projects & Technical Assistance experts and training
ROC			Agriculture/ Livestock /Aquaculture Production	GRANT AID through: Technical Assistance/training Equipment/inputs
ADB	Country Strategy Programme Update (CSPU 2006-2007)	➢ balance growth more evenly throughout the country ➢ improved social services	Outer Island Growth Centres Water Resources	GRANT AID through: Technical Assistance Consessional LOAN FUNDS
WB	Pacific Regional Strategy 2006-2009		Climate Change	GRANT AID through: TA grant project
FAO			Fisheries Home Gardening	GRANT AID through: Technical Assistance/ RPFS
GEF				GRANT AID through: Enabling activity (UNDP implemented)

Table 7. Bilateral & Multi-lateral Development Partners Active in Nauru in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
JAPAN **JICA**			Water supply	GRANT AID through: Grass roots projects
ROC			Horticulture/Aquaculture Production	GRANT AID through: Technical Assistance/training Equipment/inputs
FAO			Banana cultivation Home Gardening	GRANT AID through: Technical Assistance/ RPFS
WHO			Environmental health (clean water) Food safety	GRANT AID through: Technical Assistance/training
GEF			NCSA Biodiversity POPs	GRANT AID through: Enabling activities (UNDP & UNEP implemented)

Table 8. Bilateral & Multi-lateral Development Partners Active in Niue in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
NZ/Australia				Budget Support/Trust Funds
EU	CSP 2002-2007 CSP 2008-2013	Non focal sector	NSA projects includes Agriculture/fisheries	GRANT AID through: Project grants to NSA
FAO			Forestry legislation Irrigation planning Livestock permaculture	GRANT AID through: Technical Assistance/ RPFS
UNDP	UNDAF		Disaster Risk Management	GRANT AID through: Technical Assistance
WHO			Environmental health (clean water) Food safety	GRANT AID through: Technical Assistance/training
GEF			NCSA POPs	GRANT AID through: Enabling activities (UNDP implemented)

Table 9. Bilateral & Multi-lateral Development Partners Active in Palau in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
JAPAN **JICA**			Fisheries/aquaculture	
USA Department of Interior	Compact of Free Association		Environment Infrastructure	GRANT AID through: Sector grants
ADB			Policy Advice Private Sector/Business Development Water Supply	GRANT AID through: Technical Assistance
FAO			Aquaculture/fisheries Value Adding	GRANT AID through: Technical Assistance/ capacity building/ RPFS
GEF			NCSA Climate Change (renewable energy)	GRANT AID through: Enabling activity (UNDP implemented)

Table 10. Bilateral & Multi-lateral Development Partners Active in PNG in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
AUSTRALIA **AusAID**	The Papua New Guinea Australia Development Cooperation Strategy 2006-2010	➢ improved governance and nation building ➢ sustainable broad-based economic growth and increased productivity ➢ improved service delivery and stability ➢ a strengthened, coordinated and effective response to the HIV/AIDS epidemic	Agriculture R & D Forestry Climate Change Mitigation/Adaptation (REDD), Rural Development Quarantine Land Development Process Enterprise Development Infrastructure	GRANT AID through: Competitive research funds Competitive enterprise funds Projects TA Twinning/ Mentoring
ACIAR	ACIAR Annual Operational Plan for 2007-08	➢ Applied research aimed to maintain and enhance smallholder incomes ➢ sustainable management of land, forestry and fisheries resources ➢ biosecurity and institutional capacity building, ➢ socioeconomics and project assessment, through development of human and physical resources	R & D, Ag/forest /fisheries/aquaculture Tree crops/ pest and diseases/ value adding/ Root crops/ nutrition	GRANT AID through: : R&D project funds implemented by partnerships between Australian and regional/national agencies and NGOs
JAPAN **JICA**			Infrastructure Ag/fisheries Rice Cultivation	GRANT AID through: Projects Technical Assistance experts and training
NEW ZEALAND **NZAID**	new 10-year Country Strategy being finalised	Pillars ➢ education ➢ health ➢ rural livelihoods (markets that work for the poor, strengthened rural livelihoods and food security)	Rural livelihoods Ag Extension/support services Enterprise Development	GRANT AID through: Projects Technical Assistance and training

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
CHINA (PRC)			Agriculture production Rice/ Wheat Cultivation Infrastructure	GRANT AID through: Projects Technical Assistance and training Consessional LOANS
TAIWAN (ROC) **Technical Mission**			Rice Cultivation	GRANT AID through: Projects Technical Assistance and training
ADB	Country Strategy Programme (CSP 2006-2010) the Country Operations Business Plan 2008-2010	Pillars ➢ public financial management ➢ private sector development ➢ the transport sector, ➢ health and HIV/AIDS	Smallholder services Coastal fisheries Infrastructure	GRANT AID through: Technical Assistance and Consessional LOANS
EU **EC**	CSP 2002-2007 CSP 2008-2013	Focal Sector ➢ Rural Economic Development ➢ Human Resource Development	Rural Development Fisheries Tree Crop Development Trade Environment Water & Sanitation	GRANT AID through: Project grants TA/training NSA competitive grants
FAO	United Nations Country Programme Papua New Guinea UNCP2008-2012	➢ sustainable livelihoods and population (Strengthening the policy framework, and enforcement mechanisms, to conserve natural resources, whilst simultaneously promoting income earning opportunities, particularly in the rural areas).	Food Security	GRANT AID through: Technical Assistance
UNDP	United Nations Country Programme Papua New Guinea UNCP2008-2012	➢ governance and crisis management ➢ foundations for human development (which encompasses health, education and child protection) ➢ sustainable livelihoods and population ➢ gender and HIV and AIDS.	Sustainable Development Natural Resource Management Environment	GRANT AID through: Technical Assistance/training

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
WHO	United Nations Country Programme Papua New Guinea UNCP2008-2012	➢ foundations for human development (which encompasses health, education and child protection) ➢ gender and HIV and AIDS.	Food Safety Nutrition	GRANT AID through: Technical Assistance/training
WB	Country Assistance Strategy (CAS 2008-2011)	Pillars: ➢ Promoting and maintaining sound economic and natural resource management ➢ improving livelihoods and service delivery, especially for the rural poor.	Rural Livelihoods Private Sector Development Natural Resource Management Infrastructure	GRANT AID through: Technical Assistance and Consessional LOANS (IDA credit)
OXFAM	Oxfam Pacific Regional Strategic Plan 2007-2012 Guides activities National strategy under development		Rural Livelihoods Food Security Disaster preparedness Trade Advocacy	GRANT AID through: Technical Assistance and Projects, Emergency relief
GEF			NCSA Biodiversity Climate Change	GRANT AID through: Enabling activites (UNDP implemented)

Table 11. Bilateral & Multi-lateral Development Partners Active in Marshall Islands in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
JAPAN			Water and Sanitation Infrastructure	GRANT AID through: Projects
TAIWAN (ROC) **Technical Mission**			Agriculture/horticulture/ small livestock	GRANT AID through: Projects Technical Assistance and training
USA Department of Interior	Compact of Free Association (2003)		Environment Infrastructure	GRANT AID through: Sector grants
ADB	Country Strategy and Programme Update (CSPU 2007-2011)	➢ increasing public sector productivity with emphasis on basic social services ➢ enhancing the environment for private sector investment, job creation, and growth	Policy/planning	GRANT AID through: Technical Assistance and policy advice
FAO			Climate Change Adaptation	GRANT AID through: Technical Assistance
GEF			NCSA Climate Change Mitigation	GRANT AID through: Technical Assistance

Table 12. Bilateral & Multi-lateral Development Partners Active in Samoa in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
AUSTRALIA **AusAID** **ACIAR**	The Joint Samoa Program Strategy (JSPS 2006-2010) harmonized with NZ	➢ Improve opportunities for employment and investment ➢ Enhance the wellbeing of all Samoans through improved service delivery and community development Australia takes a lead role in the following sectors: public sector reform; law and justice; rural development (with a focus on income generation activities)	Rural Development (income generation) Agroforestry?? Pest & Diseases Value Adding Marketing	GRANT AID through: Technical Assistance Projects GRANT AID through: : R&D project funds implemented by partnerships between Australian and regional/national agencies and NGOs
JAPAN **JICA**			Agriculture/fisheries Infrastructure Environment /conservation	GRANT AID through: Projects Technical Assistance experts and training
NEW ZEALAND **NZAID**	The Joint Samoa Program Strategy(JSPS 2006-2010) harmonized with Australia	➢ Improve opportunities for employment and investment ➢ Enhance the wellbeing of all Samoans through improved service delivery and community development NZ takes a leading role in private sector and tourism, civil society and community development and health sectors	Agriculture/rural development Small business enterprise	GRANT AID through: Programme funds to NGOs/NSA
CHINA (PRC)			Horticulture/ small livestock/ farming systems	Consessional LOAN projects Technical assistance/training
ADB	Country Strategy Programme Update (CSPU 2005-2006) Country Operations Business Plan 2007-2009	➢ enhance access to and quality of basic social services ➢ improve the environment for the private sector	Water & sanitation Private sector development Microfinance Strategic Planning	GRANT AID through: Technical Assistance and Consessional LOANS

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
Com. Sec.			Trade	GRANT AID through: Technical assistance
EU **EC** **EIB**	CSP 2002-2007 CSP 2008-2013	Focal Sector: Water Non-focal sector –micro-projects	Water resources Agriculture/livestock/fisheries Infrastructure Micro/meso finance	GRANT AID through: Projects, micro-projects, TA, STABEX funds, Budget Support Risk capital to Development Bank
FAO			R & D	GRANT AID through: Technical Assistance
WHO			Food Safety/water quality Nutrition	GRANT AID through: Technical Assistance/training
GEF			Sustainable land management Climate Change	GRANT AID through: Technical Assistance Projects
IF[33]		➢ To use trade as a catalyst for growth more effectively	Trade	GRANT AID through: Technical Assistance/capacity building

[33] Integrated Framework on Trade partners include UNDP, International Monetary Fund (IMF), United Nations Conference on Trade and Development, The World Bank Group, International Trade Centre and the World Trade Organisation (WTO)

Table 13. Bilateral & Multi-lateral Development Partners Active in Solomon Islands in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
AUSTRALIA **AusAID** **RAMSI** **ACIAR**	Country Strategy (2008-2012) under development		Agriculture Forestry Rural development Rural Livelihoods Infrastructure Fisheries/aquaculture Pests &Diseases Farming systems Nutrition	GRANT AID through: Projects/ programme Technical Assistance/Experts and Training GRANT AID through: : R&D project funds implemented by partnerships between Australian and regional/national agencies and NGOs
JAPAN **JICA**			Permaculture Infrastructure	GRANT AID through: Projects Technical Assistance experts and training
NEW ZEALAND **NZAID**			Marine resources Fisheries/Aquaculture Sustainable Livelihoods Food security Small business enterprise Infrastructure	GRANT AID through: Projects Programme & project funds to NGOs/NSA
Taiwan (ROC) **Technical Mission**			Agriculture Tree crops/rice/ forestry /livestock/ processing/ rural development Infrastructure	GRANT AID through: Projects TA/training Budget support
ADB	Country Strategy and	Priority areas	transportation infrastructure	GRANT AID through:

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
	Programme Update (CSPU 2007-2009) and the Country Operations Business Plan 2008-2010	➢ transportation infrastructure and services ➢ the enabling business environment	disaster risk management	Projects Technical Assistance
EU **EC** **EIB**	CSP 2002-2007 CSP 2008-2013	➢ Development focus is sustainable rural development with attention to capacity building for rural development	Agriculture/ Forestry / rural development/ infrastructure	GRANT AID through: Projects/programme, micro-projects, TA, STABEX funds Concessional LOAN funds
WB	Pacific Regional Engagement Framework 2006-2009	➢ safeguarding service delivery by improving resilience to natural hazards ➢ enhancing sustainable revenues from resource-based sectors.	Rural Development	GRANT AID through: Projects/programme Technical Assistance
WorldFish Centre			Aquaculture/fisheries	GRANT AID through: Research Projects Technical Assistance
OXFAM	Oxfam Pacific Regional Strategic Plan 2007-2012 Guides activities	➢ ensure people have enough food for an active and healthy life ➢ encouraging sustainable resource management ➢ addressing the root causes of conflict in communities to build lasting peace	Sustainable Livelihoods Forestry	GRANT AID through: Projects implemented by local NGOs (e.g. Kastom Garden)
World Vision			Livelihoods/food security	GRANT AID through: Projects
GEF			NCSA Biodiversity Climate Change adaptation	GRANT AID through: Enabling activities (UNDP & UNEP implemented)
IF		➢ To use trade as a catalyst for growth more effectively	Trade	GRANT AID through: Technical Assistance

Table 14. Bilateral & Multi-lateral Development Partners Active in Tonga in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
AUSTRALIA **AusAID** **ACIAR**			Fisheries Private sector development R&D in Fisheries/aquaculture Pest & Diseases Livestock feeds	GRANT AID through: Projects Technical Assistance GRANT AID through: : R&D project funds implemented by partnerships between Australian and regional/national agencies and NGOs
New Zealand **NZAID**			Water supply Private sector development Community development	GRANT AID through: Projects Technical Assistance
EU	CSP 2002-2007 CSP 2008-2013		High value crops Fisheries/ forestry / quarantine/ phyto-sanitary	GRANT AID through: STABEX funded Projects
FAO			Forestry/land use Policy livestock	GRANT AID through: Technical Assistance & RPFS projects
GEF			NCSA Biodiversity Climate Change POPs	GRANT AID through: Enabling activities (UNDP & UNEP implemented)

Table 15. Bilateral & Multi-lateral Development Partners Active in Tuvalu in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
AUSTRALIA **AusAID**				GRANT AID through: Contribution to Trust Fund
New Zealand **NZAID**			Infrastructure	GRANT AID through: Projects Contribution to Trust Fund
Taiwan (ROC) **Technical Mission**			Extension Services Agriculture/ horticulture/ aquaculture Infrastructure	GRANT AID through: Projects TA/training Budget support
EU	CSP 2002-2007 CSP 2008-2013		Water & sanitation	GRANT AID through: Kind of targeted budget support
FAO			Pest control/ crop production	GRANT AID through: Technical Assistance & RPFS projects
GEF			POPs	GRANT AID through: Enabling activities (UNDP implemented)

Table 16. Bilateral & Multi-lateral Development Partners Active in Vanuatu in Sectors under Study

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
AUSTRALIA **AusAID** **ACIAR**	Australia-Vanuatu Joint Development Cooperation Strategy (2005-2010)	➢ improve broad-based economic growth by focusing on governance	Growth in Productive sectors Land administration Private sector enabling environment Forestry	GRANT AID through: Projects Technical Assistance GRANT AID through: : R&D project funds implemented by partnerships between Australian and regional/national agencies and NGOs
FRANCE	"Document cadre de cooperation 2008-2010"	Focal sectors: ➢ education ➢ agriculture/food security	Agriculture	GRANT AID through: Projects Technical Assistance
JAPAN **JICA**			Infrastructure Water supply Fisheries/aquaculture	GRANT AID through: Projects Technical Assistance experts and training
NEW ZEALAND **NZAID**	NZAID/Vanuatu Development Programme Strategy 2006-2010	Priority areas: education, governance and economic development. Under the economic development objective outcomes sought are: ➢ improved family livelihoods ➢ employment opportunities for rural communities ➢ increased private sector investment	Agriculture Research & Extension Quarantine Trade facilitation Rural development	GRANT AID through: Projects Technical Assistance and training
CHINA (PRC)			Infrastructure Microfinance	Consessional Loans
ADB	Country Strategy and Programme Update (2006-2009)	➢ creating an enabling environment for private sector growth through improved institutions and access to finance	Policy/ strategic planning Microfinance	GRANT AID through: Technical Assistance

Development Partner	Strategic Documents	Development Objectives	Primary sector focus	Instruments/Approaches
EU **EC**	CSP 2002-2007 CSP 2008-2013	focal sector : ➢ economic growth and creation of employment including human resource development (vocational training and capacity building)	Agriculture Rural Development	GRANT AID through: Projects, support to NGOs Budget support
FAO			Policy Food safety/processing Climate change Adaptation	GRANT AID through: Technical Assistance and RPFS projects
GEF			Conservation, POPs Climate Change	GRANT AID through: Enabling activities (UNDP & UNEP implemented)
IF		➢ To use trade as a catalyst for growth more effectively	Trade	GRANT AID through: Technical Assistance/capacity building And projects
MCC[34]		➢ focuses specifically on promoting sustainable economic growth to reduce poverty through investments in areas such as transportation, water and industrial infrastructure, agriculture, education, private sector development, and capacity building	Infrastructure	GRANT AID through: Technical Assistance and projects

[34] The Millennium Challenge Corporation (MCC) is a United States Government corporation designed to work with some of the poorest countries in the world. Established in January 2004, MCC is based on the principle that aid is most effective when it reinforces good governance, economic freedom and investments in people. MCC's mission is to reduce global poverty through the promotion of sustainable economic growth.

APPENDIX 2: Regional and Country Overviews

Pacific Regional Overview.

Regional Development Framework: The PACIFIC PLAN provides the policy framework for closer regional cooperation and integration as a strategy for pursuing the main goals of economic growth, sustainable development, good governance and security. The Pacific Plan was endorsed by Forum Leaders at their annual meeting in PNG in October 2005 with the Kalibobo Roadmap Statement on the Pacific Plan highlighting the significance of the Plan, its key priorities and implementation requirements. The Pacific Plan represents a significant movement towards deeper and broader integration in the Pacific. Implementation of the Pacific Plan is coordinated by the Pacific Plan Action Committee (PPAC), chaired by the Forum Chair, and comprising PIC representatives providing oversight for implementation and reporting.

The Pacific Plan provides the policy framework for the region for enhanced engagement between Forum countries with their non-state actors and development partners. The Pacific Plan identifies policy initiatives with an implementation Plan extending to ten years the goal of which is to: *Enhance and stimulate economic growth, sustainable development, good governance and security for the Pacific countries through regionalism.*

To meet this goal, the Pacific Plan's strategic objectives are:

Economic Growth - Increased sustainable trade (including services), and investment; improved efficiency and effectiveness of infrastructure development and associated service delivery; increased private sector participation in, and contribution to, development.

Sustainable Development - Reduced poverty; improved natural resources and environmental management; improved health; improved education and training; improved gender equality; enhanced involvement of youth; increased levels of participation and achievement in sports; recognised and protected cultural values, identities and traditional knowledge.

Good Governance - Improved transparency, accountability, equity and efficiency in the management and use of resources in the Pacific.

Security - Improved political and social conditions for stability and safety.

Agriculture does not feature strongly in the current (2006) draft of the Plan. Therefore at the 38th Pacific Islands Forum Leader's meeting in Tonga (October, 2007), a communiqué was endorsed calling for SPC to develop a new agriculture and forestry initiative, including atoll agriculture, under the Pacific Plan's sustainable development pillar.

Coordination and harmonization of support from the many agencies active in the region is a high priority. The Pacific Aid Effectiveness Principles (adopted in Palau, July 2007) derive from the Paris Declaration on Aid Effectiveness. They have been work-shopped and consulted upon widely across the Pacific region, and are designed to fit the Pacific context. The Pacific Aid Effectiveness Principles, like the original Paris Declaration,

include actions and approaches for both countries and development partners (donors) which focus on five major areas: ownership, alignment, harmonization, managing for results and mutual accountability. Five Pacific Island countries have also signed up to the Paris Declaration; Fiji, Papua New Guinea, Solomon Islands, Cook Islands and Tonga.

Development Partners Active at regional level:

Bilateral Partners:

Australia's regional programme of assistance focuses on priorities outlined in the WHITE PAPER[35], Pacific Plan and the Australian Governments PACIFIC REGIONAL AID STRATEGY 2004-2009 . The identified priorities are more effective, accountable and democratic government, stronger-broad-based growth, improved service delivery, and improved law and justice and security. Australia is a member and a lead contributor to many of the regional organizations and is channeling an increased portion of its regional aid programme through them, to strengthen their capacity and reach. Total annual support to regional organizations is around A$25 million.

Australia provides support to implementing many of the Pacific Plan's initiatives. Under the economic growth pillar, Australia supports initiatives and partnerships targeting: land; infrastructure, trade, private sector development, rural development and fisheries.
In March 2008 the "*Port Moresby Declaration*" was launched during the visit of Prime Minister Kevin Rudd to PNG. The Declaration signals a new approach to cooperation in the region. The core of the Declaration will see Australia begin to negotiate *Pacific Partnerships for Development* with the nations of the Pacific to provide a new framework to commit jointly with countries to shared goals. Increased development assistance over time will focus on:

- Economic infrastructure and broad-based economic growth
- Private sector development and microfinance
- Basic education
- Basic health services
- Enhancing governance, including the role of civil society, and the role of non-government organizations in basic service delivery.

The challenge of climate change and sustainable management of resources is also identified in the document. The Australian Government has made dealing with the climate challenge one of its highest priorities and has promised to increase Australia's aid expenditure on climate change by $150 million over the next 3 years, with a priority on assisting the Pacific islands and East Timor.
Australia's strategy for assisting building resilience to the impacts of climate change will cover: sharing Australia's expertise in monitoring climate change and modelling impacts; support for the development and implementation of national adaptation plans; support

[35] Australian Aid: Promoting Growth and Stability - White Paper on the Australian Government's overseas aid program (2006) provides the strategic framework to guide the direction and delivery of Australia's overseas aid program over the next ten years. The White Paper provides a comprehensive account of how the Australian Government will approach the doubling of Australia's aid budget to around $4 billion annually by 2010

through multilateral mechanisms such as the Least Developed Countries Fund, Special Climate Change Fund and Adaptation Fund.

Australia has also signaled increasing support to agriculture and rural development in the region.

Australia is applying a 'hands-on' approach to its aid program in the Pacific, working to build the region's capacity to pursue governance reform and work collectively to address shared problems. Making the best use of regional approaches such as those under the Pacific Plan, while tailoring these partnerships to the specific needs of individual countries through their own national development frameworks, which they consider is the key to success. Encouraging greater donor coordination in-line with these regional and national strategies was a focus of efforts in 2006-07, and will continue to be so.

Other strategies which have bearing on the focus of activities in the Pacific are:

- AID AND THE ENVIRONMENT - BUILDING RESILIENCE, SUSTAINING GROWTH.(2007).This strategy signals a significant increase in investment to meet the growing environmental challenges confronting the Asia-Pacific region. The goal of the strategy is to sustain economic growth and reduce poverty in the Asia-Pacific region by improving the management of natural resources, increasing community resilience and better conserving natural heritage. Australia will build a portfolio of activities through the aid program to address key development challenges under three major themes: coping with climate change, managing water resources and managing the environment, including strengthening environmental governance. The strategy will be implemented through partnerships with national governments, regional and multilateral organisations, other donors and Australian environment and development institutions. Australia will continue to share knowledge and expertise in the region to combat key environmental challenges.

- AUSAID DEVELOPMENT RESEARCH STRATEGY 2008-2010. This strategy outlines AusAID's approach to increase the role of research in contributing to the effectiveness of the aid program. AusAID will ensure an expanded program of quality research that is well communicated, informs AusAID's and partner countries' policies and programs, and builds capacity of researchers and research users.
- VALUING PACIFIC FISH: A FRAMEWORK FOR FISHERIES-RELATED DEVELOPMENT ASSISTANCE IN THE PACIFIC (2007).The future of Pacific island subsistence and market economies is tied to the health of the freshwater, coastal and oceanic ecosystems of the region and the long term sustainability of their fisheries. The last two decades have been a period of major change in fisheries policies in many countries, with growing international concern over increasing fishing pressure on decreasing global resources. This framework provides a structured and strategic approach to fisheries-related assistance in the Pacific region.

- FOOD SECURITY STRATEGY (2004).Over 800 million people are chronically undernourished in a world that can produce sufficient food for everyone. The Australian Government places a high priority on assisting developing countries with food security. This publication describes Australia's international development cooperation strategy to address the links between sustainable development, poverty reduction and the promotion of food security in partner countries

Regional projects and initiatives:

1. Australia will provide $20.5 million over six years to pilot the ENTERPRISE CHALLENGE FUND (ECF) for the Pacific and South East Asia. The fund has been established to encourage businesses to develop viable commercial projects which result in increased incomes, improved livelihoods and access to services for the local community. Grants of between $A100,000 to $A1.5million can be used to contribute up to 50% of the estimated project costs.. Projects in the Pacific region are currently being considered in Fiji, Papua New Guinea, Vanuatu, Solomon Islands, and East Timor. The ECF provides an opportunity for private-sector businesses to participate in an open competition for matching grants to fund commercially viable business projects. Initial research for the ECF in the Pacific and South East Asia indicates that potential projects are likely to relate to the extension of financial services, agricultural advisory services to poor people, and investments that create new or improved market linkages. These should lead to the creation of jobs and income-earning opportunities.

2. Support to strengthen regional monitoring, control and surveillance of key Pacific fisheries (A$500,000); and incentive-based support to recognise and encourage effective action by Pacific Island countries to strengthen national fisheries management and combat illegal, unreported and unregulated fishing.

3. *PACER- Regional Trade Facilitation Programme* (2004-2009*)*. To facilitate trade within the region through improved and streamlined processes in quarantine, customs and standards and conformance matters that relate to the trade in goods. It also includes capacity building and support to reform legislative and regulatory frameworks, and metrology frameworks. The project is implemented by PIFS, SPC and the Oceania Customs Organisation. Australia also provides support to the Pacific Islands Trade and Investment Commission.

4. The *Infrastructure for Growth* (IFG*)* initiative aims to support growth, increased productivity and employment in the Asia-Pacific region by helping address infrastructure constraints. The IFG initiative will comprise a mix of: Financing for basic physical infrastructure projects (e.g. to facilitate market access and trade); Activities designed to improve infrastructure governance/management in specific countries or sub-sectors (e.g. to improve infrastructure policy and regulations, reduce corruption and improve the effectiveness of partner government investment in infrastructure); and Contributions to selected global facilities

trialing innovative approaches, financing global public goods or undertaking important analytical research (e.g. in areas of public-private partnerships, output-based aid, energy sector management, climate change adaptation and clean energy use). Priority activities for PNG and the Pacific will have a rural emphasis and include rehabilitation of transport infrastructure and improving service delivery of utilities. The IFG initiative will invest in the Pacific A$50 million for PNG and A$50 million for rest of Pacific over the period 2007-2011. The initiative will work closely with WB and ADB initiatives.

5. The *Vulnerability and Adaptability Initiative* (A$4 million, 2004-2009) is assisting Pacific Islands to reduce vulnerability and adapt to potential impacts of climate change. It includes: A$2 m for small grants for community-generated adaptation projects in Fiji, Samoa, Tonga, Vanuatu and the Solomon Islands. Funds are supporting cost-effective, low technology measures; A$1 m to support implementation of Tuvalu's water supply and sanitation strategy, including the production of rainwater tanks and technical assistance to support the strategy; A$1 million to support emerging climate change priorities, including research on climate change impacts on fisheries, convening of the Pacific Energy Ministers Meeting 2007, and support for a forum on gender, climate change and disaster risk reduction.

6. *South Pacific Sea Level and Climate Monitoring Project* (Phase IV contribution A$9 million, 206-2010), implemented by the Australian Bureau of Meteorology (BOM) and covering 12 Pacific Island Countries. The initiative is assembling an archive of sea level and related climate data to assist PIC governments to manage their coastal environments and resources. It also provides information that helps the region understand climate change and climate variability issues. Geoscience Australia and SOPAC are subcontracted by BOM to provide technical inputs and regional coordination of communications, respectively. A strategic review was undertaken in 2007 to assess the ongoing value of the project and recommend future management options for the activity. Comments from stakeholders will inform the Australian Government's response to the review.

7. *Pacific Island Climate Prediction Project Phase 2* (contribution A$3 million, 2007-09) implemented by Australian Bureau of Meteorology in ten Pacific island countries. This activity is strengthening long range climate prediction in Pacific island countries. It will build on achievements of the first phase to expand the prudent use of climate predictive software by Pacific Island National Meteorological Services (NMSs). NMSs work with private and public sector client agencies (farmers, water resource managers, and public health and tourism authorities) to develop long range forecasts relevant to their planning needs. The activity also helps NMS officers better understand, explain and present weather and climate information.

8. AusAID is currently exploring the development of a new initiative, the Pacific Regional Agricultural Market Access (PRAMA) project, which will enable

Pacific Island Countries (PICs) to better meet the import quarantine requirements of key trading partners, like Australia and New Zealand. PRAMA aims to provide a mechanism that discerns products to target; improves market access submissions; works with importing countries' regulatory agencies; and streamlines processes in exporting country government agencies. A design mission is working between February and March 08 on a first proposal.

9. AusAID is providing funding (A$15 million over 4 years) for a programme (implemented by SPC and WHO) to assist Pacific Island Countries and Territories (PICTs) to improve the health of their populations by establishing a comprehensive approach to profiling, planning, implementing and monitoring & evaluating sustainable initiatives to combat NCDs and associated risk factors in their populations. A comprehensive and integrated programme of activities is being planned targeting the major risk factors (alcohol, tobacco, **diet & nutrition** and physical activity) with evidence based interventions (policy, legislation, enforcement, taxation and structural environment) and awareness and education raising through technical assistance, capacity building and workforce development, supported by information, surveillance and research.

Australia also provides funding to the concessional arms of the World Bank and Asian Development Bank, the International Development Association (IDA) and the Asian Development Fund (ADF) respectively, consistent with the priorities of the aid programme, their focus on the Pacific region and their effective performance. Australia participates in setting the strategies and policies of IDA and ADF in their replenishment negotiations.
Australia's regional programme estimate for 2007-2008 is A$161.7 million.

THE AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR) is an Australian Government statutory authority that operates as part of Australia's Aid Program within the portfolio of Foreign Affairs and Trade. It contributes to the aid program objectives of advancing Australia's national interest through poverty reduction and sustainable development. ACIAR supports bilateral country programmes with PNG and the Pacific island countries: Samoa, Solomon Islands, Tonga and Vanuatu. Multi-country projects covering more than one country in the region are also supported. Priority areas for collaboration in Pacific are detailed in the ACIAR ANNUAL OPERATIONS PLAN FOR 2007-08. Priorities include: Improving incomes through more productive farming systems; sustainable management of forest and fisheries resources; biosecurity and pest and disease management; farming systems economics and marketing.

Ongoing multi-country projects include:

- Evaluating domestic tuna fisheries in PNG and SI (2005-2008, A$331,435)
- Biological control of "mile-a-minute" (*Mikania micrantha*) in PNG and Fiji (2006-2008, A$579,018)
- Screening and field trials of high-carotenoid sweet potatoes in SI and PNG to improve human vitamin A (2007-2010, A$131,000)

- Developing aquaculture based livelihoods in Pacific Islands region and tropical Australia (2007-2011, A$1,229,660).
- Improving value and marketability of Coconut Wood in Fiji and Samoa (2007-2010, A$520,552)
- Integrated pest management in a sustainable production system for Brassica crops in Fiji and Samoa (2005-2010, A$595,808)
- Evaluation of the impact of Dasheen mosaic virus and other viruses on taro yield in Fiji and Samoa (2007-2010, A$149,734).

Canada. The Canadian government has been an active development assistance partner in the Pacific Islands for more than thirty years and is a dialogue partner in the Pacific Island Forum. The goal of Canada's assistance is to foster sustainable development as a vehicle for promoting economic progress and regional stability. Its contributions are in part influenced by the shared experiences of the indigenous peoples of Canada and the Pacific.

To assist in the strengthening of the NGO sector, CIDA, made a three year, CAN$500, 000 commitments to work with UNDP to strengthen civil society in the Pacific through a program to assist Pacific NGOs to plan, implement, manage and monitor projects. The Canada-South Pacific Ocean Development Program is a seven year, CAN$14 million initiative with strategic focus on the sustainable development and protection of the South Pacific's ocean and marine resources. Canada also made CAN$2.3 million contribution to the Pacific Islands Climate Change Assistance Program, to strengthen Pacific Island nations' abilities to develop capacity building programs, projects, and activities to lessen the adverse impacts of climate change. The Canada Fund is a smaller, more "hands-on," component of the aid program. It responds to local needs and provides short-term support for projects at the community level through local NGOs and other grass-roots organizations such as village councils, co-operatives and women's groups.

France provides core funds to regional agencies (SPC and SPREP) and supports the Initiative for the Protection and Management of Coral Reefs in the Pacific (CRISP) established by the French Development Agency (AFD) in 2002 and hosted by SPC in Noumea. CRISP aims to supply financial resources to existing operational partners wishing to develop their activities in a spirit of regional cooperation rather than to set up any new body. The CRISP programme has three major components: integrated coastal management; development of coral ecosystems; programme coordination and development. CRISP is funding the creation of the regional Pacific Reefbase database set up by the WorldFish Center.

The Pacific Fund of the French Ministry of Foreign Affairs was created in 1986 to promote social, economic, scientific and cultural development and integration in the Pacific. It funds projects which have a strong Pacific component and either have benefits for Pacific countries or the region as a whole, and preferably have active involvement from organizations, research institutes etc. in the Pacific (especially New Caledonia French Polynesia and Wallis). The Fund usually favours projects with co-funding of at least 50 % of the total cost coming from sources other than the Pacific Fund. Total

available resources from the fund are about €3 million annually. Support is being provided together with IFAD, SPC and the Institute of Agronomy in New Caledonia to a Centre for Excellence in Atoll Agriculture located in Kiribati.

Through a "FRANZ" trilateral alliance there has been multilateral assistance to the Pacific region, with French-Australian-New Zealand programmes targeting areas in the sectors of public health, relief to disaster struck populations and more recently with an initiative to improve maritime surveillance and combat illegal and unreported fishing in the greater South Pacific. Apart from a fishing surveillance of FRANZ, the three partners are also considering joint activities aimed at "improving vigilance, responses, planning and alert systems for natural disasters and to reinforce impact reduction and alert systems for tsunamis.

France also contributes to the development of the Pacific countries through the EDF.

Germany no longer provides bilateral country assistance but still supports the GTZ Pacific-German Forestry Project (1994-2008) which works in partnership with the LRD's Forests and Trees Programme. It has a focus on sustainable management of natural forests and sustainable land management where it supports forest management. The project works in seven countries (Cook Islands, Fiji, FSM, Niue, Samoa, Tonga ad Vanuatu). The project supports policy formulation, and provides technical advisory and training assistance. The German Government funding over period 2001-2008 was €6 million. A new project phase is being developed which will focus on managing the effects of climate change.

Germany also contributes to the development of the Pacific countries through the EDF

Italy. During the last few years, politically Italy has been conducting a higher profile activity in the Pacific region becoming the fourteenth Pacific Island Post-Forum Dialogue Partner in 2007. Italy has strengthened its development assistance towards the Small Islands Developing States in the Pacific, supporting initiatives which adopt a regional approach and give priority to the capacity building and to food security. The main development project being funded (initial US$4.5 million) is the "Support to the Regional Programme for Food Security in the Pacific Islands Countries" implemented by FAO. The project objective is to improve food production and food security, both on regional and individual country level and to reduce the islands' dependency on foreign imports. Following a Tripartite Meeting in Tonga, held in 2006, the programme was extended up to December 2008 with a further contribution by the Italian Government of €2 million.

Since 2005, Italy has provided €409,000 to the project "Support for the Formulation of National Sustainable Development Strategies for South Pacific Small Island Developing States" implemented by UNDESA. The aim of the project is promoting sustainable development in the small islands of the Pacific, in the framework of the strengthening capacity and institutions in the countries of the region.

The Government of Italy also finances a development project for Improving Water Security in Tuvalu with a contribution of US$128,150. The project, executed by UNDESA, is aimed at contributing towards improving water resources management and delivery of water services in Tuvalu in an effort to overcome the challenge of water security.

Italy is also funding a US$10 million sustainable development initiative (with focus on climate change) being coordinated by the Pacific Island Countries Ambassadors to the UN in New York. (need confirmation of details)

Italy also contributes to the development of the Pacific countries through the EDF.

Japan provides support to the 14 Pacific Island Forum Countries. The strategic framework is set during summit meetings between government of Japan and the Forum Countries held every three years since 1997. The Fourth Japan-PIF Summit Meeting (PALM 4) was held in Okinawa in May 2006. At this meeting Japan announced its assistance plan to the Forum Island Countries (FICs) members to support the Pacific Plan. Five prioritized goals set out under Japan's Assistance Plan are: economic development, sustainable development, good governance, security and people to people communication and exchange. Japan provides bilateral assistance to countries based on their national development plan and needs, and also provides regional assistance. Japan mainly supports basic human needs sector including health, education, water and sanitation and fisheries sector, as well as development of infrastructure, especially in the fields of transportation and hydropower. Japan administers its Grant Aid programmes through Embassies in PNG, SI, Fiji (which covers also Kiribati, Nauru, Tonga, Tuvalu and Vanuatu), Wellington NZ (which covers Samoa, Cook Islands and Niue), FSM, RMI and Palau. Japan will shortly open a new Embassy in Tonga.

Japan often works in cooperation and collaboration with other development partners and is a party to the Joint Statement on Enhanced Donor Cooperation for "Okinawa Partnership for a more robust and prosperous Pacific Region" along with Australia and New Zealand, and provides funds to multilateral banks and international agencies working in the region (e.g. ADB and FAO).

Fiji JICA Office is responsible for technical assistance support to 13 FICs, with PNG managed by the office in Port Moresby. The TA programme support is now adopting a more regional strategic approach. A key programme is the sustainable use of coastal fisheries resources to improve livelihood in rural and outer island communities (US$ 2 million over five years). The programme assists in: policy formulation and planning (USP school of Marine Studies and SPC); coral reef conservation (Palau); stock enhancement and community based fisheries (Tonga & Vanuatu); inland aquaculture(Fiji & PNG); coastal fishing training (FSM); fish processing (USP); aquaculture (USP); Fish aggregating devices (Fiji Institute of Technology). The programme also provides opportunities for training and seminars held in Japan.

New Zealand (NZ): The PACIFIC STRATEGY 2007-2015 guides New Zealand's Official Development Assistance (ODA) Programme.
The goal of the strategy is "Reduced Poverty and Hardship in the Pacific". This will be achieved by targeting four outcomes: strengthened governance; broader-based growth and improved livelihoods; improved health and education and reduced vulnerability. The strategy supports a whole of government approach to development through strengthened policy coherence between domestic and development policies. Through an enhanced policy dialogue with partners and donors NZAID has adopted a greater focus on "how they work" with partners as well as "what they do" based on the principles of *The Paris Declaration on Aid Effectiveness*. Harmonisation activities with AusAID, the Asian Development Bank, the European Union and the World Bank have been prioritised alongside aid effectiveness discussions with other donors in the Pacific including China, France, Japan, the United States, and Taiwan. Discussions have focused on achieving stronger coordination, reducing duplication of activities, and strengthening alignment to partners' national development plans.

Under the Broader-based growth & improved livelihoods outcome support focuses on:

- policies that promote inclusive economic growth
- Helping countries create an environment that enhances growth, including supporting infrastructure development to grow the fisheries, agriculture and tourism sectors
- Ensuring that markets work for poor people, rural livelihoods are improved and food security issues are addressed.

Under the Reducing vulnerability outcome support includes focus on:

- Improving the management of countries' natural resources
- Strengthening preparedness and management of natural disasters such as cyclones or tsunamis.

Other strategies which have bearing on focus of activities in the Pacific are:

- ENVIRONMENT AND INTERNATIONAL DEVELOPMENT This policy outlines New Zealand's approach to environmental issues in international development assistance. It will guide NZAID's work with developing country partners. The policy is intended to guide New Zealand's involvement in multilateral fora and its involvement with developing country government agencies, civil society and NGOs in helping developing country partners to realise their environmental development goals.
- HARNESSING INTERNATIONAL TRADE FOR DEVELOPMENT outlines NZAID's approach to international trade and development. It describes the benefits of trade and development and sets out NZAID's overarching operating principles. It specifies NZAID's priorities. Trade can reduce poverty but it needs a certain context of economics and governance. The international donor community has a key role in making trade work for developing countries. NZAID is committed to addressing the special needs of Least Developed Countries, landlocked countries

and small island developing states and to supporting poverty elimination strategies through trade-related programming.

- Draft Growth and Livelihoods Policy. This policy underlines the importance of broad-based economic development for poverty reduction. It emphasises economic growth as a means to an end-poverty reduction-rather than an end in itself. It outlines operating principles including: focus given to human rights, gender and the environment and the emphasis placed on partnership, participation and sustainability.

NZAID's largest engagements in the region are with Papua New Guinea, Solomon Islands and Vanuatu where the majority of Pacific people live and where they are the poorest. New Zealand also has major development relationships with five other countries – Fiji[36], Kiribati, Samoa, Tonga, and Tuvalu. Budgetary and technical assistance is also provided to Niue and Tokelau**,** and NZAID is the largest donor in the Cook Islands. The people of these states are New Zealand citizens and NZ have legal obligations to support them.

In addition to bilateral country programmes, New Zealand provides regionally focussed assistance to the Pacific in the areas of education, health, environment, governance, fisheries, and trade and economic projects. NZAID is a member and a contributor to many of the regional organizations and is channeling an increased portion of its regional aid programme through them (NZ$24,555,000 for 2007/08). This includes support to: the Pacific Islands Forum Secretariat, the University of the South Pacific (USP), the Secretariat for the Pacific Community (SPC), the Pacific Applied Geoscience Commission (SOPAC), the Pacific Regional Environment Programme (SPREP), the Forum Fisheries Agency and the South Pacific Board for Educational Assessment (SPBEA). NZAID's partnership with these agencies involves funding support for their core and programme activities including those sectors prioritised in the Pacific Plan; as well as engagement on issues of regional significance; strategic direction and policy issues for each agency; and their capacity and capability to deliver effective and efficient services to the Pacific communities they serve.

Regional programmes and initiatives:

1. New Zealand Government Agencies Fund (GAF). Set up in 2005, this Fund supports New Zealand government agencies to carry out development activities in developing countries; with a particular focus on the Pacific. There have been four funding rounds to date, resulting in 52 initiatives being supported across 16 government agencies with a combined value of NZ$18.4 million Funding for 2007/08 is NZ$8 million. GAF has supported Pacific Island Customs authorities to improve border control/security and increase revenue through funding the New Zealand Customs Service to run tailored training programmes, and funding the

[36] Subject to sanctions following the December 2006 military intervention.

Oceania Customs Organisation which represents 23 member countries in the Pacific region.

2. Pacific Economic Growth and Trade (NZ 2.48 million 06/07). Improved business environment and economic growth through the funding of the public financial management and support to the strengthening of macro and microeconomic advice in the Pacific through:

    - Pacific Financial Technical Advisory Centre (PFTAC) which provides technical advice and capacity building to 15 Pacific Island countries in four key areas: tax and customs policy; public financial management; financial sector supervision and regulation; and economic and financial statistics.
    - Private Enterprise Programme (PEP) which supports the development of Small and Medium Enterprises in several PICs.
    - Foreign Investment Advisory Service (FIAS) advises government on improving the environment for investment and business development.
    - Auckland Pacific Islands Trade and Investment Commission (PITIC) promote trade, investment and tourism for Pacific countries and forms part of the wider Pacific Islands Forum Secretariat trade programme.
    - Regional Trade Facilitation Programme (RTFP) NZ$ 1 million over 3 years -RTFP programme focuses on three areas: customs procedures, standards and conformance, and sanitary/phyto-sanitary (animal and plant hygiene requirements).
    - Increased awareness on trade in agriculture and fisheries products through support for the Food & Agriculture Organisation/World Trade Organisation roundtable.

3. Environment and Vulnerability Programme Programme is focussed on supporting regional programmes designed to protect and enhance the Pacific region's natural resource base for sustainable development and poverty elimination. This includes NZ$4 million a year allocated to specific programmes in areas such as water, biodiversity, and climate change adaptation. A further NZ$2.875 million is allocated to the two key environmental agencies in the region - the South Pacific Applied Geoscience Commission (SOPAC) and the Pacific Regional Environment Programme (SPREP). NZ$2.5m is allocated to preparing for, and responding to, natural disasters. Support is also provided for the Pacific Invasives Initiative, following an independent review that showed positive benefits for Pacific communities. NZ also is co-financing GEF Small Grant Programme for community level resource management. Given that the Pacific is one of the most vulnerable regions in the world to the impacts of global climate change, and that these impacts are likely to pose significant challenges to sustainable development and will affect the region's environment, society and economy, New Zealand made a voluntary commitment to spend NZ$5 million per annum to support climate change activities in developing countries from 2005. Of this, NZ$1.5 million per annum has been allocated to NZAID's Pacific Regional Environment

programme 2005-2007. The purpose of the support is to assist Pacific countries and communities to respond to the world's changing climate and to reduce vulnerability to climate change. Interim guidelines have been developed which determine funding decisions within this allocation until a new programme strategy is finalised.

4. Contribution to SPC implemented Tuna Tagging Programme Phase 11 (NZ$5 million).

NZ also provides funding to the concessional arms of the World Bank and Asian Development Bank, the International Development Association (IDA) and the Asian Development Fund (ADF) respectively, consistent with the priorities of the aid programme, their focus on the Pacific region and their effective performance. NZ participates in setting the strategies and policies of IDA and ADF in their replenishment negotiations

Total expenditure on regional programmes in the Pacific for 2007/08 is $30 million

Peoples Republic of China (PRC): China is a dialogue partner of the Pacific Islands Forum (PIF) and has diplomatic relations with eight Pacific island countries (Cook Islands, Fiji, Federated States of Micronesia, Niue, Papua New Guinea, Samoa, Tonga and Vanuatu). The "China-Pacific Island Countries Economic Development and Cooperation Guiding Framework concluded in 2006 pledges US$375 million in development assistance and low-interest loans to the PICs. This assistance is focused bilaterally with no significant regional programmes in the sectors under study. However, China has set up China-PIF Cooperation Fund to help finance the Pacific Plan and has provided technical assistance through the South-South Cooperation programme operated under the FAO RPFS.

China's aid is disbursed in the form of grants, interest-free loans and preferential loans. Grants are used primarily for infrastructure related to social services as well as technical co-operation and humanitarian assistance. Interest free loans usually finance other non-productive public infrastructure projects. Preferential loans are extended to finance revenue-generating projects, principally for joint ventures of Chinese and local enterprise, where the assistance element takes the form of the differential between the People's Bank of China base rate and the preferential interest rate. China has also forgiven debt to HIPC and LDC countries accumulated to 2005, while they have also announced further debt forgiveness to HIPCs and LDCs.

Taiwan (ROC): Taiwan has diplomatic relations with six Pacific island countries (Nauru, Palau, Solomon Islands, Tuvalu, Kiribati and Republic of Marshall Islands) and maintains Trade (and Technical) Missions also in Fiji and Papua New Guinea. Taiwan's assistance in the sectors has a strong bilateral focus with these countries through the technical missions, infrastructure projects and some budget support. Support from Taiwan's International Cooperation and Development Fund is focused on: human resource training; business development; agricultural diversification; capacity building; and humanitarian assistance.

United States of America (USA): In 2006 the United States assistance to the Pacific Islands totaled just over $US200 million. Of this amount, about $US150 million was comprised of grants from the United States to the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau under the Compacts of Free Association administered by the Department of the Interior. USA also provide core funding to regional agencies to which it is a member (SPC and SPREP and PIDP) and maintains a small environment programme managed by the Department of State with an Environment Officer located in the US Embassy in Suva. There are indications that this programme support could be increased. Currently the programme supports two projects being implemented by SPC:

1. Managing Climate Change to Ensure Food Security Project (US$100,000). The purpose is to identify crops and crop varieties that have tolerance/resistance to extreme conditions, such as salt intrusion, drought, high temperatures and water logging. These crops once identified will be established in tissue culture in the SPC Centre for Pacific Crops and Trees (CePaCT), multiplied and made available to PICs on request.

2. Pacific Ant Prevention Programme (PAPP). US approved funding (US$100,000) to assist PAPP develop emergency response plans to counter any invasive red imported fire ant (RIFA) incursions in SPC's 22 member countries. The funding will also target increased media awareness.

In 2003, the United States signed Compacts of Free Association with the Federated States of Micronesia (FSM) and the Republic of Marshall Islands (RMI), amending a 1986 Compact with the countries. The amended compacts provide the countries with a combined total of $3.6 billion from 2004 to 2023. The FSM will receive approximately $2.1 billion and the RMI $1.5 billion during that period, including increasing contributions to trust funds designed to provide an annual source of revenue when the annual United States assistance terminates at the end of fiscal year 2023. A trust fund committee for each country has been established which oversee the funds. The assistance, targeting six sectors, is aimed at assisting the countries' efforts to promote economic advancement and budgetary self-reliance. United States assistance will be for grants for education, health care, private sector development, the environment, public sector capacity building, and public infrastructure, with priorities in the education and health care sectors. The amended Compacts created new accountability requirements for the use and reporting of United States assistance.

The Republic of Palau is an independent country also in a Compact of Free Association with the United States. Under the compact arrangements for Palau, the US Government has agreed to pay approximately US$447 million over the first fifteen years of the fifty-year Compact, i.e. from 1994 to 2009. US$70 million has been set aside in a Trust Fund, which has so far grown to about US$144 million, for use after Compact grants cease in 2009. There are also provisions for major infrastructure projects including the recent construction of a road around Babeldoab, the largest of the Palauan islands. Provision is also made for continuation of some US federal programs. The Compact and its subsidiary

agreements commit the US to continue to provide, at no cost to Palau, many services including air safety, weather prediction, health services and assistance in the event of natural disasters.

The Millennium Challenge Corporation (MCC), a United States Government corporation designed to assist some of the poorest countries in the world, is working with Vanuatu on an assistance compact totaling over $US65 million. The United States Government continues to work with MCC to develop programmes tailored to the needs of smaller nations, including island states.

Multilateral Partners:

Asian Development Bank (ADB). RESPONDING TO THE PRIORITIES OF THE POOR: A PACIFIC STRATEGY 2005-2009 provides the framework for the operations of the ADB in its 14 Pacific Developing Member Countries (PDMCs) and for ADB support to Pacific regional cooperation, whilst detailed strategies and programs are developed at the country level, in support of the national development programs. The Pacific Strategy highlights differences among PDMCs, but also addresses common challenges. PNG, Samoa and Fiji currently have the largest lending portfolios with ADB. Grant TA and economic work, policy advice and dialogue are ongoing with all member countries.

The two overriding goals of the Pacific Strategy 2005–2009 are: opportunities to earn cash income and better access to basic social services. The key strategic objectives outlined in the strategy are:

- Support a conducive environment for private sector (effective institutional, legal and regulatory frameworks; improved financial services; improved SOE arrangements; improved infrastructure; and effective institutional framework for developing skills in response to labour market demands).
- Enhance the supply of, and demand for, quality basic social services.
- Promote effective development processes (increased community participation and ownership; increase public demand for good governance, and for effective markets and services; strengthen government transparency and accountability; increased dialogue and cooperation among civil society organizations, private sector groups, and governments; improved availability and dissemination of quality data and information on development issues; gender and environment mainstreaming; strengthened capacity of governments, civil society and private sector groups to plan and manage for development results; enhanced development partner coordination and harmonization.

The action plan for the Pacific Strategy is ADB's REGIONAL OPERATIONS BUSINESS PLAN (ROBP 2007-2010). The aims are to contribute to reducing poverty in the Pacific by strengthening national ownership of regional approaches, increasing the regional provision of services and improving the environment for private sector development. The ROBP sets out strategic objectives and a pipeline of activities that build on the current ADB Pacific regional portfolio. Specific subregional pilot activities aim to provide direct benefits to participating PDMCs and to become models for further regional interventions.

The ROBP has three strategic objectives: supporting the provision of priority Public Goods; improving the environment for private sector development; and improving outcomes in member countries and regional organizations in managing for development results.

Priorities for support will include ADB's Private Sector Development Initiative, provision of financial technical assistance (TA) through support to the Pacific Financial Technical Assistance Centre (PFTAC). ADB anticipates a growing focus also on: environment and regional responses to climate change; disaster preparedness; and governance, including (a) regional approaches to regulation and oversight, (b) expansion of trade relationships, and (c) building the software to improve regional connectivity. Support for cross-border infrastructure and related software and trade facilitation activities will be important aspects.

Environmental management is expected to grow in prominence under the refined Pacific Strategy. Climate proofing, which has already been mainstreamed into infrastructure works, will be supported by the heightened attention to physical infrastructure. ADB is one of the seven Global Environment Facility agencies in the Pacific that will implement projects under the Global Environment Facility–Pacific Alliance for Sustainability.

ADB has only two priority indicative lending operations at regional level which are aimed at supporting the development of key subregional infrastructure and complementary trade facilitation services along the land border of Papua New Guinea (PNG) and Indonesia, and along the land border of Timor-Leste and Indonesia. The aim is to improve connectivity and promote opportunities for increased regional trade. These loans will be in the form of parallel country loans directed to a common regional project. Each loan would be expected to be around US$10.0 million and would be drawn from Asian Development Fund (ADF) resources.

The assistance provided through the ROBP will be predominantly in the form of regional TA. The indicative annual nonlending Pacific regional program is US$3.15 million for 2007–2010.

Regional programmes and initiatives:

1. Ongoing funding of PFTAC (US$800,000, 2005-2008) in 3-year cycles in support of the regional provision of TA in public financial management, tax administration and policy, banking regulation and supervision, and macroeconomic and financial statistics.

2. Mainstreaming Environmental Considerations in Economic and Development Planning Processes in Selected PDMCs (US$600,000, 2004-2008). To prepare country environmental assessments that will provide inputs to country programming for selected PDMCs and country medium-term development strategies, particularly in addressing eight key environmental challenges.

3. Strengthening Pro-Poor Policy in the Pacific (US$1850,000, 2005-2008). To advance the pro-poor policy agenda and capacity development strategy that has been formally established under Poverty Partnership Agreements in each PDMC.

4. Strengthening Governance and Financial Management (US$1,579,000, 2006-2009). To promote good governance through improved transparency, accountability, and efficiency in managing and using public resources in the Pacific

5. Diagnostic Studies for Secured Transactions Reforms (US$870,000, 2004-2008). To design and reach agreement with PDMC governments on a sound secured transaction reform package in each participating PDMC, and prepare them for implementation, with the goal of improving the access of the private sector to affordable credit.

6. Pilot Strengthening of Civil Society Participation in Development in the Pacific (US$500,000, 2006-2008). To strengthen CSO understanding of development policy and directly engage CSOs with their governments and external funding agencies in the design, formulation, and implementation of ADB's own country strategies, programs, and projects as an example to all development programs

7. Support for Results-Based Management in the Pacific (US$800,000, 2007-2011). To improve managing for development results within PDMCs and to improve PDMCs' capacity to utilize economic and social statistical information for informed planning and policy decisions.

Commonwealth Secretariat[37] provides technical assistance to small states mainly in the form of advocacy, policy advice and support for national and regional capacity building. Attention is on supporting adjustments to changes in global trade and investment environment. Assistance to small states is largely determined by mandates from governments. The Export and Industrial Development Division (EIDD) of the Commonwealth Secretariat was formed in July 1993 as a result of the merger of the Commonwealth Secretariat's technical assistance activities in the Industrial Development, Export Marketing and Agricultural Development sectors. The major focus of EIDD is to assist in the creation of competitive enterprise and the development of robust and efficient trade sectors with a particular emphasis on poverty alleviation and gender equity. EIDD advises on all aspects of export marketing, industrial, small business and entrepreneurial development. In-house professional staff, supplemented by external consultants, provides advisory and practical on-site assistance to governments on an institutional strengthening basis. EIDD's assistance also takes the form of product improvement activities, market investigation and sales promotion and commissioning of a wide range of publications in specialised areas.

[37] The Pacific Islands that are members of the Commonwealth of Nations are: the Cook Islands, Kiribati, the Fiji Islands, Nauru, Niue, Papua New Guinea, Samoa, the Solomon Islands, Tonga, Tuvalu and Vanuatu.

EIDD is divided into three departments: the Export Market Development Department; the Industrial Development Department; and the Agricultural Development Unit. The Export Market Development Department works specifically in export development with a focus on women in business. Its major focus is on: product and market identification and development – supply assessments, product adaptation, market research and export-related industry contact programmes; export-orientated investment promotion in priority sectors to enhance manufacturing for export – undertake studies on export sectors, identify opportunities, prepare project profiles and support investment missions to international or regional markets; provision of practical guidelines to help exporters access markets and the preparation of market intelligence reports; provision of institutional strengthening for trade and development – skills enhancement to facilitate trade under multilateral trade agreements; and the development and promotion of tourism – strategic studies, policy analysis and contact promotion programmes.

The Industrial Development Department focuses on creating competitive enterprises through technical assistance and policy advice in the following areas: industrial competitiveness strategies and policies for private sector development – including the provision of high-level policy advice to key ministerial personnel; sectoral and sub-sectoral actions – to address structural weaknesses in policy framework, skills development, including private sector entrepreneurial development, SME finance, investment strategies, investment profiling and marketing; institutional reform/capacity building mainly in key public sectors and private sector support institutions (mainly SME manufacturing associations); e-commerce – developing interactive website services for e-commerce; and enterprise-level interventions – provision of assistance for groups of enterprises that are attempting to restructure their productive capacity. The Agricultural Development Unit provides technical assistance in agriculture and the renewable natural resources including: fisheries management and aquaculture, livestock and dairy development – identification of projects, preparation of project funding proposals and evaluation of existing programmes; sustainable forestry – provision of technical assistance to forestry departments; the provision of resource materials – publishing manuals for use at the departmental and sectoral levels; and training needs assessment for regional and national institutions – the promotion and evaluation of training courses and the preparation of training materials for a range of renewable natural resources.

European Union (EU) provides bilateral assistance to the 14 ACP (FICs) countries and to a Pacific regional programme managed by the European Commission's Delegation for the Pacific, in Fiji, in partnership with the Forum Secretariat. The European Union's strategy for the Pacific adopted in 2006 (Communication from the Commission to the Council, the European Parliament and European Economic and Social Committee. EU relations with the Pacific Islands – a strategy for strengthened partnership, 29/05/06) is the framework to guide EU partnership support to the Pacific. The Strategy consists of three components:

- stronger political relations on matters of common interest such as global political security, trade, economic and social development and the environment;

- more focused development action, with greater emphasis on regional cooperation to build up critical mass, enhance regional governance and facilitate mutual enrichment; and
- more efficient aid delivery, including greater use of direct budget support and closer coordination with other partners, in particular Australia and New Zealand.

The regional support programme is developed in the framework of the Regional Strategy and Regional Indicative Programme 2002 – 2007 for the 9th EDF, and the Regional Strategy and Regional Indicative Programme 2008-2013 (currently in draft) for the 10th EDF.

The indicative programme under the 9th EDF was based on an indicative allocation of € 29 million which was supplemented by a further € 10 million following the mid-term review and additional EDF resources bringing the total allocation to €40,585,966. The focal sectors for assistance are: Regional Economic Integration and Trade and Human Resource Development. The "non-focal sector" assistance was used to extend support for projects being implemented under the 8th EDF to the 6 new ACP countries entering under the Cotonou Agreement.

The indicative allocation for the 10th EDF is €95,222,466 million. Discussed focal sectors in the draft 10th EDF Pacific regional cooperation strategy are human resources development and sustainable management of natural resources. Developments in technological tools may be included in both focal sectors, when relevant and in accordance with the Regional Digital Strategy.
Both focal sectors share a common overall objective: to enhance sustainable livelihoods and economic opportunities through regional cooperation and integration initiatives.

Specific objectives have been identified for each focal area:

Human Resources Development

- assist the region in integrating into the world economy and in meeting its regional integration objectives particularly in facilitating regional trade arrangements.
- assist the region in developing its economic resource base in a sustainable way.
- contribute to the region's efforts to develop a well educated labour force, capable of adapting to rapidly changing markets.

Sustainable Management of Natural Resources

- assist the region in developing the economic potential of its natural resources in a sustainable way.
- assist the region in developing cost-effective solutions to common social and economic challenges, such as waste management, water supply, energy requirements.
- contribute to addressing vulnerability issues in the Pacific, in particular those associated with fragile eco-systems and disaster preparedness.
- Expand the regions export sectors in natural resources and create an enabling environment for the benefit of regional trade arrangements.

Support to trade and economic integration, including the EPA and WTO commitments, will be provided in the context of the two focal sectors.

Under the programming for the 9th and 10th EDF country assistance the EU has adopted a multi-country[38] approach for the smaller island countries which face some common development constraints. The 9th and 10th EDF focus for these multi-country programmes is water resources and renewable energy.

In addition to support under the regional indicative programmes additional support to the region can be available from the EU General Budget following calls for proposals under thematic areas. Also support is provided through intra all ACP and global initiatives such as the "Water Facility" and the "Energy Facility", and specialised agencies such as Centre for the Development of Enterprise (CDE) and the Technical Centre for Agriculture (CTA)

The CDE was set up in 1977 under the Lomé Convention system, as the Centre for the Development of Industry (CDI), to support the development of small and medium-sized industrial undertakings in the ACP countries. Under the Cotonou Agreement it became the Centre for the Development of Enterprise (CDE). Although its mandate is now more wide ranging, covering all private enterprise activities, it still aims to support the ACP industrialisation process through its programmes. Activities focus on a fairly large and diverse range of sectors that are important for the ACP countries and include agro-industry and fishing. CDE's objectives are: to facilitate ACP-EU business partnerships; develop enterprise support services in ACP (capacity building with private sector organisations and service providers); assist investment promotion activities and organisations; assist technology transfer and management skills.

CTA was set up in 1984 as an ACP-EU institution to work in the field of information for development. Work focuses on three key areas:

- providing information products and services (e.g., publications, question-and-answer services and database services)
- promoting the integrated use of communication channels, old and new, to improve the flow of information (e.g., e-communities, web portals, seminars, and study visits)
- building ACP capacity in information and communication management (ICM), mainly through training and partnerships with ACP bodies

CTA has formed partnerships with USP (Institute for Research, Extension and Training in Agriculture) and SPC where it supports the Pacific Agriculture and Forestry Policy Network (PAFNet)

Regional programmes and initiatives:

1. Development of Sustainable Agriculture in the Pacific (DSAP 2004-2008, €8.2 million) implemented by SPC.

[38] The countries involved in this approach are; Cook Islands, FSM, RMI, Palau, Nauru, Niue, Kiribati, Tuvalu, and Tonga.

2. Plant Protection Project (PPP) implemented by SPC.

3. Pacific Environnent Information Network (PEIN) implemented by SPREP.

4. Pacific Regional Oceanic and Coastal Fisheries (PROCFish 2004-2007, €12.5 million) implemented by SPC. The work of the oceanic component has been extended for ? years under project SCIFish (€4 million). The work of the coastal component has been extended to 2009 with no additional funding.

5. Development of Tuna Fisheries in the Pacific ACP (DEVFISH 2005-2010, €3.0 million) implemented by FFA and SPC.

6. Pacific Regional Economic Integration Programme (PACREIP 2004-2009, €11.2 million) The Pacific Islands Forum Secretariat (PIFS) is the contracting authority for the PACREIP and the implementing agencies are the PIFS, the South Pacific Tourism Organisation (SPTO), the Secretariat of the Pacific Community (SPC) and the Secretariat of the Pacific Regional Environment Programme (SPREP).

7. Reducing Vulnerability through Islands Systems Management of Pacific ACP states (€7 million, timeline?) implemented by SOPAC.

8. Pacific Integrated Water Resources Management Programme (IWRM 2008 -?, €2.8 million from EU "Water Facility") to improve governance of water resources, implemented by SOPAC.

9. Facilitating Agriculture Commodity Trade (FACT 2007-2011, €4 million) implemented by SPC.

10. All ACP Commodities Programme (2007-2011, €48 million) implementing partners are FAO, World Bank, UNCTAD, and ITC (International Trade Center).

United Nations Agencies (UN): The United Nations Development Assistance Framework (UNDAF) for the Pacific Subregion sets out the strategic focus for the UN's dialogue with the Pacific Islands Countries (PICs) from 2008 to 2012. It is the product of partnerships between the UN Country Teams of Fiji and Samoa and the 15 UN agencies, programmes and offices in the Pacific, and is driven by the needs and priorities of governments of 14 PICs[39] (Cook Islands, Federated States of Micronesia, Fiji, Republic of the Marshall Islands, Niue, Palau, Vanuatu, Tokelau, Tuvalu, Tonga, Kiribati, Nauru, Samoa and the Solomon Islands). The UN has sought to embed its UNDAF within national and regional development plans, and to generate national ownership of and commitment to development initiatives. Particularly important in the analysis was the

[39] PNG has its own UN framework: the United Nations Country Programme Papua New Guinea (UNCP2008-2012)

Pacific Plan, whose objectives closely align with the identified UN priorities. The UNDAF aims to achieve the following priorities or 'outcomes':

- **Equitable economic growth and poverty reduction,** by supporting the development and implementation of evidence-based, regional, pro-poor National Sustainable Development Strategies to address population, poverty and economic exclusion issues, stimulate equitable growth, create economic opportunities and decent employment, and promote sustainable livelihoods.

- **Good governance and human rights,** by enhancing national and regional governance systems that exercise the principles of inclusive good governance, respecting and upholding human rights; and supporting the development of resilient Pacific island communities participating in decision-making at all levels.

- **Equitable social and protection services,** through support to the development of evidence-based and inclusive policies and plans; improved systems to deliver accessible, affordable, well-managed, gender sensitive quality social and protection services; and individual and community behaviour that reflects healthy lifestyles, social protection and better use of social services.

- **Sustainable environmental management,** by mainstreaming of environmental sustainability and renewable energy into regional and national policies, planning frameworks and programmes; and supporting Pacific communities to sustainably use their environment, natural resources and cultural heritage. UN agencies will form a Joint Programme on the Environment to coordinate UN efforts, pool together resources and expertise and to work closely with key partners to address key environmental issues in the Pacific, specifically targeting local/communities. The Joint Programme will focus on supporting local governance systems, documenting and sharing local and traditional knowledge and practices, promoting community-managed conservation areas including eco-friendly income generating activities, capacity-building, and knowledge management.

Around seven percent of the programmes of the UN in the Pacific will be unique and not fit within the margins of this joint UNDAF, falling outside the realm of this UNDAF's anticipated coordination, implementation or monitoring mechanisms. These programmes are generally driven by specialized agencies, according to their specific mandates. Also, they may be ongoing partnerships with governments, or be in response to specific, specialized country needs or requests. Amongst the programmes outside of the regional framework are: The Regional Programme for Food Security (Italy/FAO); Mainstreaming of Rural Development Initiatives (IFAD/FSPI); Building Capacities on Certification of Organic Agriculture in the Pacific (IFAD/IFOAM); Development of Regional Certification Standard and Strategy for Organic Agriculture in the Pacific island Countries and Territories (IFAD/SPC).

Assistance for the processing of regional trade statistics of agricultural commodities US$253,000 This project is to assist the Secretariat of the Pacific Community (SPC) in

obtaining relevant statistical information in support of their priority policies concerning the achievement of food security and regional free trade agreements (PICTA/PACER) as well as trade integration among countries as part of the region's response to global trend towards liberalization of trade within the WTO framework

World Bank Group (WB): engagement in the Pacific Islands (nine countries, but not PNG which has its own Country Assistance Strategy[40]) has been guided by its REGIONAL PACIFIC ENGAGEMENT FRAMEWORK FOR 2006-2009. The aim of the Regional Pacific Engagement Framework is to help addressing the issues of rising hardship and youth unemployment by creating an environment conducive to generating economic growth and employment opportunities for Pacific Islanders, working in cooperation with other development partners in the region. The Pacific Engagement Framework identifies two major strategic priorities at regional level as regards rural development and natural resources management: safeguarding service delivery by improving resilience to natural hazards; and enhancing sustainable revenues from resource-based sectors. Although not specifically identified at regional level, agricultural and rural development forms the third possible cluster of activities in the Pacific, especially in agrarian societies in Melanesia (Solomon Islands and Vanuatu, both IDA countries) and Fiji (IBRD).

The main country-based activities in sectors of interest are the Kiribati Adaptation Project (KAP) Phase 1 and Phase 11 and the Solomon Islands Rural Development Programme (see country overviews for details). WB is also scoping potential rural development activities in PNG and has indicated interest to respond to demand of other countries for support in these areas (e.g. Fiji, Vanuatu). As in the Solomon Islands where the Bank is working with AusAID and the EC, they would seek to promote joint work with other donors.

The Bank delivers its assistance through strategic economic and sector work, multi-donor dialogues to promote donor coordination on a thematic basis, targeted policy notes to disseminate key messages, and focused technical assistance to implement reforms. Selective lending activities actively seek to leverage donor resources to maximize their policy impact. The assistance balances demand-driven, country specific initiatives with regional level initiatives to help create regional public goods. Close coordination within the World Bank Group is a priority to harvest global and intraregional lessons on promoting growth in small states. Since the focus of the Bank's assistance is primarily on analytical and advisory work, intensified efforts at communications outreach and dissemination is being undertaken.

Regional programmes and initiatives:

1. Private Enterprise Partnership for the Pacific (PEP-Pacific) is a multi-donor funded initiative managed by the INTERNATIONAL FINANCE CORPORATION (IFC), the private sector arm of the World Bank Group. The primary objective of PEP-Pacific is poverty reduction through employment-generating sustainable private

[40] World Bank is opening a Country Liaison Office in SI (June 2008) and may move towards a Country Assistance Strategy also.

sector development. Through PEP-Pacific, IFC serves member countries including Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Timor-Leste and Vanuatu.

2. Sustainable management through reduced risk from disasters and climate variability (US$2,700,000 initial funding). A stock-taking, gap analysis and country assessment in selected countries (Fiji, Vanuatu, Solomon Islands, Marshall Islands, Kiribati, Papua New Guinea and Timor Leste) and preparation of Business Plans of action is ongoing (Feb-June 2008). The aim is to move towards effective operational disaster and climate risk management in the Pacific Island Countries through the development of some specific investments to be implemented over the coming years. The stocktaking would review existing initiatives for DRM and climate change adaptation and identify requirements and mechanisms for moving from planning to implementation. The Business Plan will describe proposed national and (sub) regional activities, in the context of gaps and partnerships with other stakeholders. Description of activities will contain the scope of investments, budget, human resources, other requirements including up-front work and indicative timeframe.

NGOs

Foundation of the Peoples of the South Pacific International (FSPI) is the regional secretariat for a network of ten independent community-based organizations working in the pacific to foster self-reliance and sustainable community development**.** The programme areas that they work are: governance; communities and coasts; health, disaster and risk management; and mainstreaming rural development innovations (MORDI). FSPI receive core funding from NZAID (NZ12 million over five years). The MORDI Programme (IFAD funded US$2 million) looks at ways to support innovative work (e.g. niche product development and new crop development: coconut oil, market flowers, off-season pineapple etc) where knowledge and infrastructure already exist in communities. In addition, the Programme works to build the capacity of community members to engage effectively with government and service providers – to access sources of funding, information and support – to turn these rural innovations into sources of sustainable income. MORDI is currently active in Fiji, Tonga and Kiribati and FSPI hope to extend (through a second phase) to Cook Islands, PNG, Samoa and Solomon Islands. FSPI has also received funding from AusAid to commence a Disaster Preparedness program in conjunction with SOPAC and regional NGOs. The program will assist countries in their preparation for national emergencies, by examining existing response procedures, and implementing processes that will enhance risk reduction and crisis management capabilities. The program objective is to establish an operational nexus for times of crisis that will enable effective coordination between governments, communities, donors, aid agencies and regional bodies. It will include the formation of a FSPI Regional Disaster Coordinating Committee and the first FSPI Regional Disaster Training Workshop.

Oxfam International (including Oxfam NZ and Oxfam Australia**)** work under the framework of the Pacific Regional Strategic Plan 2007-2012. This plan focuses in-country work on four Melanesian countries, Papua New Guinea, Solomon Islands, Vanuatu, and Fiji, because these countries suffer the most widespread poverty in the Pacific, and in the case of Papua New Guinea and the Solomon Islands, are experiencing negative development trends. But recognising the vulnerability of Polynesian countries' small populations to regional policy shifts and natural disasters, the Strategic Plan period will see an increased focus also on Polynesia, particularly in the area of disaster management. They are currently working in Samoa with local partner Women in Business Development Incorporated supporting a range of community-based projects in rural areas aimed at alleviating poverty, creating sustainable village economies and revitalising the agricultural sector.

The Regional Strategy Plan sets out key change goals, objectives and strategies for the next five years. The change goals focus on six areas: Economic justice; Essential services; HIV and AIDs; Human security; Gender; with Active citizenship as a cross cutting theme.
The goal under economic justice is: *More Pacific people, particularly those in vulnerable and marginalised communities, achieve their right to secure and sustainable livelihoods, and obtain a fair share of the benefits of social and economic development.*
The goals and objectives will be implemented through a variety of strategies: working directly or through partners; sharing successful strategies and other experiences through exchanges, networks and specific training; conducting research into key issues; advocacy at national, regional and international levels; building the capacity of partners, individuals, institutions and, where appropriate Pacific governments.

Oxfam's strategy highlights a need for alternative visions in the Pacific. This is because they consider the current drive for economic growth places little emphasis on rural development, food security and the non-formal economy, and there is limited focus by government and donors on growth with equity or on the social, cultural and environmental impacts of current growth-aligned policies. Oxfam consider there is a need for new visions of economic development in the region – visions which recognise and address the broader sense of livelihoods that exists amongst many Pacific communities which are intimately tied to culture and indigenous peoples' continuing close links to their communal land, belief systems, spirituality and custom law.

OAus and ONZ have supported rural livelihoods programs in Solomon Islands (including with a specific focus on youth) and Papua New Guinea, regional networking via the Melanesian Farmer First Network across Papua New Guinea, Bougainville, Solomon Islands and Vanuatu, and non-formal education, focusing on young school 'push outs" through the Vanuatu Rural Development Training Centre Association. OAus has had a significant focus on advocacy and program work to address the impact of large scale resource developments on communities' ability to achieve sustainable livelihoods in the Solomon Islands and Papua New Guinea, and on labour rights in Fiji. ONZ and OAus have made substantial investment in strengthening civil society engagement with governments over trade and development policy – especially around WTO accession, key

industries like garments and sugar, and regional trade negotiations with the European Union (the EU-ACP Economic Partnership Agreement) and with Australia and New Zealand (PICTA and PACER). Oxfam are developing a project to research, document and promote alternative economic visions for the Pacific encompassing a varied informal economy, strengthening existing informal structures or developing new commercial activities to widen participation.

Conservation International (information still to be obtained**)**

Multilateral Development Facilities

Global Environment Facility (GEF) in the past 15 years provided approximately US$86 million to 14 PICs supporting work in biodiversity, international waters, climate change and persistent organic pollutants. But progress on this work has been slow.

The Pacific Alliance for Sustainability (GEF-PAS) overall programme objective is to increase the efficiency and effectiveness of GEF support to PICs, thereby enhancing achievement of both global environmental and national sustainable development goals. It should address main barriers preventing sustainable environment and natural resource management. It provides a common set of goals and implementation framework for all GEF Agencies[41] with eligible activities linked to GEF Strategic Priorities, national sustainable development priorities and to country absorptive capacity.

It is envisaged as a regionally coordinated programme of nationally and regionally executed activities with a portfolio of country investment projects, innovative regional or sub-regional programmes and cross cutting capacity building selected according to agreed criteria. It covers all GEF Focal Areas as relevant to individual countries and considers integration across Focal Areas. The programme adopts a phased approach with preparation beginning in all countries at the same time, but implementation readiness depends on capacity constraints, preparation speed, etc. The value added the programme approach is anticipated to bring is:

- More efficient allocation of resources based on a defined framework for programming resources.
- Partnership allows greater opportunities to mobilize co-financing.
- More equitable access by PICs to GEF resources and predictable resource flows.
- Optimization of GEF IA support to countries.
- More effective coordination.
- Better integration across GEF Focal Areas and ability to address cross-cutting support.

Programme preparation is being coordinated and managed by the World Bank. The GEF-PAS lead organization in the region as yet to be agreed. The programme is in anticipation

[41] The term “GEF Agencies” refers to both GEF Implementing and Executing Agencies, including the World Bank, UNDP, UNEP, ADB, FAO, UNIDO and IFAD.

of exponential increase in GEF funding[42] throughout region, making use of country allocations under the newly instituted Resource Allocation Framework; the programmatic approach will, rather than attacking problems project by project; help aggregate national programs at the regional level to scale up impact throughout the Pacific.

In response to top national priorities, the programme will work through four areas of concern: Biodiversity; Climate change mitigation and adaptation; International waters; and Cross-cutting issues integrated across sectors such as land and water management.
A summary by focal area or theme of the projects submitted is presented below:

GEF PAS Programme Resources by Focal Area[43]

Focal Area	GEF Financing
Biodiversity	38,215,220
Climate Change Adaptation	30,392,000
Climate Change Mitigation	14,700,000
International Waters	10,000,000
PersistentOrganic Pollutants	5,307,750
Total	98,614,970

Ongoing regional programmes and initiatives:

1. Expedited Financing of Climate Change Enabling Activities (Phase II – PICCAP, US$1,000,000) implementing agency UNDP
2. Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project (PIGGAREP, US$5,225,000) implementing agency UNDP
3. Pacific Islands Renewable Energy Programme (PIREP, US$700,000) implementing agency UNDP
4. Sustainable Energy Financing (US$9,480,000) implementing agency World Bank (IBRD)
5. Pacific Islands Oceanic Fisheries Management Project US$11,644 implementing agency UNDP
6. Development of National Implementation Plans for the Management of Persistent Organic Pollutants (POPs, US$6,185,000) Global project implemented by UNEP
7. Climate Change Training Phase II (US$2,700,000) - Training Programme to Support the Implementation of the UNFCCC, global project implemented by UNDP

[42] The total GEF funding available for this programme for three years is proposed to be US$98.6 million (and co-financing of US108.4 million). Compared to the US$86 million that the region has received in the past 15 years from the GEF, this is a nearly six-fold increase on an annual basis.

[43] Source: GEF Pacific Alliance for Sustainability Program Framework Document

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Development of Sustainable Agriculture in the Pacific (DSAP) Project	EU	SPC, National Ministries of Agriculture in 16 PICs	To promote and implement sustainable agriculture that will improve food production thereby enhancing food security and income generation in the Pacific.	2003-2008	12,628,000
Organic Certification in the Pacific Project	IFAD	IFOAM and WIBI	Primarily aims to build the capacity in certification of organic agriculture.	2008	200,000
Organic Standards project	IFAD	SPC	To help develop regional standards, improve regional coordination and develop a strategy for promotion of organic agriculture	2007-2009	200,000
Mainstreaming Rural Development Innovations Programme in the Pacific (MORDI)	IFAD	FSPI, MORDI programmes are well established in Fiji and Tonga, with Kiribati establishment in the preparatory stages. Other countries to be included are Cook Islands, Samoa, Solomon Islands, PNG, Niue and Timor Leste.	The overall goal is to contribute to sustainable, improved livelihoods of underserved, isolated and remote rural communities, especially youth and women of PICs. The Programme will look at ways to support innovative work (e.g. niche product development and new crop development: coconut oil, market flowers, off-season pineapple etc) where knowledge and infrastructure already exist in communities. In addition, the Programme will work to build the capacity of community members to engage effectively with government and service providers – to access sources of funding, information and support – to turn these rural innovations into sources of sustainable income.	2006-2008	2,000,000
Technical Assistance in Support of the Regional Programme for Food Security TCP	FAO	FAO	To support the implementation of the RPFS in 14 countries.	2004-2008	239,000
Support for Regional Programme For Food Security (RPFS)	Italy, FAO	FAO, National Ministries of Agriculture in 14 PICs	aimed at enhancing production, income generation and food security as well as building capacity on Trade facilitation and Agriculture policy development	2004-2008	7,060,000

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
The Development of Tuna Fisheries in the Pacific ACP Countries (DEVFISH) Project	EU	FFA, SPC	To contribute to the establishment of a concerted policy and economic environment conducive to further development of Pacific ACP owned fishing and processing operations, and to increased contribution of foreign fleets to the economic development of these countries.	2005-2009	4,620,000
PROCFISH Project	EU	SPC	The oceanic component is completed and as been replaced by SCIFISH project. The coastal component will provide information that allows countries to gauge the importance and condition of reef and lagoon fisheries, and facilitates management measures, plans and regulations.	2002-2005 2002-2009	7,392,000 8,624,00
SCIFISH Project	EU	SPC	Capacity building in tuna fishery monitoring, tuna tagging and ecosystem modeling.	2008?	6,160,000
Sustainable Aquaculture Development in Pacific Micronesia TCP project	FAO	FAO, Kiribati, Marshall Island, FSM, Nauru, Palau (main activities in Palau)	The overall objective of the assistance is to improve national fish production through the development of aquaculture. The assistance is provided: to improve technical, environmental and economical viability of the existing small-scale milkfish farming activity in Palau, to assist with the development of a sustainable National Aquaculture Strategy and Action Plan, and to build human capacity among the state departments, policy-makers and legislators.	2006-ongoing	323,000
Tuna Tagging Project Phase 11	Multi-donor includes governments of Papua New Guinea, New Zealand and Taiwan/ROC, and the European Commission	SPC	will extend the tagging work to the rest of the Pacific, moving out from the areas of highest density in the west, towards the east. In fact, since some tuna range across the Pacific almost to the Americas, SPC will be collaborating with the Inter-American Tropical Tuna Commission on the tagging and recapture of tuna in the eastern Pacific.	2008-ongoing	6,300,000 pledged target is 10,000,000

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Pacific-German Regional Forestry Project	Germany	GTZ, SPC	The focus is on sustainable management of natural forests and sustainable land management where it supports forest management. The project works in seven countries (Cook Islands, Fiji, FSM, Niue, Samoa, Tonga ad Vanuatu). The project supports policy formulation, and provides technical advisory and training assistance	Commenced in 1994 Phase 2002-2008	9,240,000
Pacific Ant Prevention Programme (PAPP).	USA		to assist PAPP develop emergency response plans to counter any invasive red imported fire ant (RIFA) incursions in SPC's 22 member countries. The funding will also target increased media awareness.		100,000

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Integrated Water Resource Management	EU Water Facility	SOPAC	To safeguard the sustainable access to water and sanitation for Pacific Islanders, the IWRM programme will support countries in their efforts to engage with civil society, and jointly develop and implement water policies and strategies through consultation with relevant government departments with attention to health, agriculture, tourism, environment, water supply and other uses.	2008-2011	4,312,000
Pacific HYCOS Project	EU Water Facility	SOPAC, WMO, UNESCO	To strengthen the capacity to conduct natural water resource management and monitoring	2006-2009	3,542,000
Regional Water Quality Monitoring Programme	NZAID	SOPAC, WHO, IAS-USP	Reduced risk of water related diseases, the health of Pacific Island people improved and safeguarded	2006-2009	544,390
Programme for Water Safety Plans (WSP) in Pacific Island Countries	AusAID	SOPAC, WHO	for implementation of Phase 2, which will ensure needed capital improvements take place and support replication of the WSP approach in three additional Pacific island countries	2007-ongoing	705,000
NZMOH Assistance to Improve Drinking Water Quality in Pacific Island Countries	NZAID	SOPAC, WHO	Specialized training and technical support to Pacific island countries is now provided on a regular basis by NZMOH experts as guided by WHO/SOPAC programme needs	2006-ongoing	401,940

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget
PACER/Regional Trade Facilitation Programme (RTFP)	AusAID, NZAID	PIFS, SPC, Oceania Customs Organisation (OCO)	To facilitate trade within the region through improved and streamlined processes in quarantine, customs and standards and conformance matters that relate to the trade in goods. It also includes capacity building and support to reform legislative and regulatory frameworks, and metrology frameworks.	2004-2009	Aus$ 770,000
Pacific Regional Economic Integration Programme (PACREIP)	EU	PIFS, SPC, SPTO	The main focus of PACREIP is to build and strengthen capacity of the PACPS to enable them to effectively implement PICTA, successfully conduct EPA Negotiations with EU, effectively support PACPS participation in the WTO, active engagements in regional economic integration in Private sector development, Trade Facilitation (Customs and Biosecurity), financial sector and fiscal reforms and regional tourism development. The PACREIP is expected to achieve the following outcomes for the PACPS: 1. The progressive implementation and development of the PICTA; 2. The successful establishment of new trade arrangements between the Pacific ACP region and the EU; 3. Improved PACP capacity to negotiate and promote WTO related issues; 4. Strengthen PACP capacity to manage the process of regional economic integration in the areas of; 4.1 Private Sector Development; 4.2 Trade Facilitation, Biosecurity; 4.3 Trade Facilitation, Customs; 4.4 Financial Sector and Fiscal Reforms; and 4.5 Environmental Impact Assessment.	2004-2009	17,248,000

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget
Facilitating Agriculture Commodity Trade (FACT) Project	EU	SPC,	The aim of the pilot phase is to address existing bottlenecks in the supply chain of representative Pacific island commodities and transform selected commercial ventures into export oriented, market-driven enterprises that consistently supply overseas markets with competitive products	2008-2013	6,160,000
All ACP Commodities Programme Covering 79 ACP countries	EU	FAO, WB, UNCTAD, ITC and CFC. SPC	Features of the project include: Diagnostic analysis and solutions of commodity chains, identification of domestic and trade policy measures; Initial stages will focus on a certain number of countries and commodities with high priority, with the idea to scale-up and replicate the interventions in similar circumstances; Strong capacity building element.	2007-2011	73,920,000 (ACP total)
Pacific Regional Agricultural Market Access (PRAMA)	AusAID? NZAID?	SPC	To enable Pacific Island Countries (PICs) to better meet the import quarantine requirements of key trading partners, like Australia and New Zealand. PRAMA aims to provide a mechanism that discerns products to target; improves market access submissions; works with importing countries' regulatory agencies; and streamlines processes in exporting country government agencies	Scoping and design 2008	
Assistance for processing of Regional Trade Statistics of Agricultural Commodities TCP	F AO	SPC	This project is to assist the Secretariat of the Pacific Community (SPC) in obtaining relevant statistical information in support of their priority policies concerning the achievement of food security and regional free trade agreements (PICTA/PACER) as well as trade integration among countries as part of the region's response to global trend towards liberalization of trade within the WTO framework	2006-ongoing	253,000

Improved Business Environment, broader based economic growth

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget
Pacific Financial Technical Advisory Centre (PFTAC)	Multi-donor		To provide technical advice and capacity building to 15 Pacific Island countries in four key areas: tax and customs policy; public financial management; financial sector supervision and regulation; and economic and financial statistics.	ongoing	
Private Enterprise Partnership for the Pacific (PEP-Pacific)	jointly funded by IFC and the governments of Australia, Japan and New Zealand	IFC	The primary objective of PEP-Pacific is poverty reduction through employment-generating sustainable private sector development. Through targeted programs focusing on access to finance, tourism and business climate development, PEP-Pacific works with institutions, organizations and associations to strengthen and stimulate small and medium enterprises so that they can grow, helping create more and better jobs, raise living standards and alleviate poverty.	1990-ongoing	
Enterprise Challenge Fund (ECF)	Australia	Private Sector	The fund has been established to encourage businesses to develop viable commercial projects which result in increased incomes, improved livelihoods and access to services for the local community	2007-2013	94,000,000
The *Infrastructure for Growth* (IFG) initiative	Australia		To support growth, increased productivity and employment in the Asia-Pacific region by helping address infrastructure constraints. The IFG initiative will comprise a mix of: Financing for basic physical infrastructure projects (e.g. to facilitate market access and trade)	2007-2011	47,000,00 for Pacific Region 47,000,000 for PNG

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Pacific Islands Oceanic Fisheries Management Project	GEF	UNDP, FFA, SPC, IUCN	The broad development goal of the Project is to assist the Pacific Island States to improve the contribution to their sustainable development from improved management of transboundary oceanic fishery resources and from the conservation of oceanic marine biodiversity generally.	2005-2010	11,644,000
Reducing Vulnerability through Islands Systems Management Project	EU	SOPAC	The goal of the Project is to address vulnerability reduction in the Pacific ACP States through the development of an integrated planning and management system, Island Systems Management. The objective is to strengthen integrated development in Pacific ACP States by concentrating on three key focal areas in the island system: HAZARD MITIGATION AND RISK ASSESSMENT; AGGREGATES FOR CONSTRUCTION; and WATER RESOURCES SUPPLY AND SANITATION. The Project will address problems such as: unavailability of accurate and timely data; weak human resource base; limited resources (money and infrastructure); and lack of appropriate management plans, policies and regulatory frameworks to deal with these three focal areas.		10,780,000
Development of National Implementation Plans for the Management of Persistent Organic Pollutants	GEF	UNEP Global Project	The Stockholm Convention on Persistent OrganicPollutants requires that countries develop and implement a National Implementation Plan (NIP) that describes how they will meet their obligations under the Convention. NIPs, which must be kept up to date, set national priorities for initiating future activities to protect human health and the environment from persistent organic pollutants (POPs). They also provide a framework for the systematic and participatory development of priority policy and regulatory reforms, capacity building, and investment programs.		6,185,000
Mainstreaming Environmental Considerations in Economic and Development Planning Processes	ADB		To prepare country environmental assessments that will provide inputs to country programming	2004-2008	800,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Vulnerability and Adaptability Project	AusAID	6 PICs	To assist Pacific Islands to reduce vulnerability and adapt to potential impacts of climate change. $2 m for small grants for community-generated adaptation projects in Fiji, Samoa, Tonga, Vanuatu and the Solomon Islands $1 m to support implementation of Tuvalu's water supply and sanitation strategy, including the production of rainwater tanks and technical assistance to support the strategy. $1 million to support emerging climate change priorities, including research on climate change impacts on fisheries, convening of the Pacific Energy Ministers Meeting 2007, and support for a forum on gender, climate change and disaster risk reduction.	2004-2009	3,760,000
South Pacific Sea Level and Climate Monitoring Project (Phase IV)	AusAID	Australian Bureau of Meteorology (BOM), Geoscience Austrlia, SOPAC	The initiative is assembling an archive of sea level and related climate data to assist PIC governments to manage their coastal environments and resources. It also provides information that helps the region understand climate change and climate variability issues.	2006-2010	8,460,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Pacific Island Climate Prediction Project Phase 2	AusAID	BOM, 10 PICs National Meteorological Services	To strengthen long range climate prediction in Pacific island countries. It will build on achievements of the first phase to expand the prudent use of climate predictive software by Pacific Island National Meteorological Services (NMSs). NMSs work with private and public sector client agencies (farmers, water resource managers, public health authorities, tourism) to develop long range forecasts relevant to their planning needs. The activity also helps NMS officers better understand, explain and present weather and climate information.	2007-2009	2,820,000
Expedited Financing of Climate Change Enabling Activities (Phase II – PICCAP,	GEF	UNDP			1,000,000
Climate Change Training Phase II	GEF	UNDP Global project	Training Programme to Support the Implementation of the UNFCCC, global project		2,700,000
Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project (PIGGAREP)	GEF	UNDP, SPREP	This project is aimed at reducing the growth rate of GHG emissions from fossil fuel use in the Pacific Island Countries (PICs) through the widespread and cost effective use of their renewable energy (RE) resources.	2007-ongoing	5,225,000
Sustainable Energy Financing Project (SEFP)	GEF	WB, IFC	The project aims to significantly increase the adoption and use of renewable energy technologies in participating Pacific Island states through a package of incentives to encourage local financial institutions to participate in sustainable energy finance in support of equipment purchase.	2007-2014	9,480,000
Study on consequences of climate change on agriculture and food security in the Pacific.	FAO TCPF	Cook Isl. RMI, Vanuatu	The overall objective of the study was to deepen the understanding of the consequences of climate change on agriculture and food security in the Pacific	2007-2008	140,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Managing Climate Change to Ensure Food Security Project	USA	SPC	The purpose is to identify crops and crop varieties that have tolerance/resistance to extreme conditions, such as salt intrusion, drought, high temperatures and water logging. These crops once identified will be established in tissue culture in the SPC Centre for Pacific Crops and Trees (CePaCT), multiplied and made available to PICs on request.	2008-	100,000
Mainstreaming Environmental Considerations in Economic and Development Planning Processes in Selected PDMCs TA	ADB		To prepare country environmental assessments that will provide inputs to country programming for selected PDMCs and country medium-term development strategies, particularly in addressing eight key environmental challenges.	2004-2008	600,000
Disaster Preparedness	AusAID	FSPI, SOPAC	The program will assist countries in their preparation for national emergencies, by examining existing response procedures, and implementing processes that will enhance risk reduction and crisis management capabilities. The program objective is to establish an operational nexus for times of crisis that will enable effective coordination between governments, communities, donors, aid agencies and regional bodies. It will include the formation of a FSPI Regional Disaster Coordinating Committee and the first FSPI Regional Disaster Training Workshop.	pipeline	
Disaster Risk Reduction Project	EU (PACP Country B-envelope resources)	SOPAC	Preparing national priority action plans and support for implementing highest priority activity. (check details?)	2007-	14,794,000
Pacific Adaptation to Climate Change (PACC)	GEF -PAS	UNDP, SPREP	The program will assist countries in building Resilience to Climate Change	2008 pipeline	14,822,500
Pacific Regional Environment Programme	NZ		To assist countries and communities to respond to the worlds changing climate and to reduce vulnerability to climate change		1,155,000 per annum

The following tables indicate pipeline projects under GEF-PAS (source GEF Pacific Alliance for Sustainability Programme Framework Document)

GEF-PAS Proposed Biodiversity Projects

Project Name	Countries	GEF Agency	GEF Financing USD	Co-financing
Micronesia Challenge	Marshall Islands, Palau, FSM	UNEP	6,000,000	10,884,000
Invasive Species Management	Marshall Islands, FSM, PNG, Cook Islands, Kiribati, Samoa, Tonga, Vanuatu, Niue	UNEP	3,500,000	4,750,000
Coral Triangle Initiative	Solomon Islands, PNG, Timor Leste, Vanuatu	ADB	10,000,000	8,800,000
Forestry Protected Area Management	PNG, Fiji, , Samoa,	FAO/UNDP	15,000,000	TBD[11]
Integrated Island and Community-based Biodiversity Conservation	Kiribati, Nauru and Tuvalu, cook Islands, Tonga	UNEP	2,000,000	TBD
Enabling Activities	Timor Leste, Tuvalu, Tonga	UNDP	715,220	TBD
Phoenix Island Protected Areas	Kiribati	UNEP	1,000,000	TBD
Total			38,215,220	24,434,000

GEF-PAS Proposed Adaptation Projects

Project Name	Countries	GEF IA	GEF Financing USD	Co-financing
Building Resilience to Climate Change	Cook Islands, Fiji, Micronesia, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu (plus Palau and Marshall Islands?)	UNDP	14,822,500	TBD
NAPA Implementation	Tuvalu	UNDP	3,349,500	TBD
NAPA Preparation	Timor Leste	UNDP	220,000	TBD
NAPA Implementation	Vanuatu	IBRD	3,000,000	TBD
NAPA Implementation	Solomon Islands	IBRD	3,500,000	TBD
NAPA Implementation	Kiribati	IBRD	3,500,000	TBD
NAPA Implementation	Samoa	UNDP	2,000,000	TBD
Total			30,392,000	

GEF-PAS Proposed Mitigation Projects

Project Name	Countries	GEF IA	GEF Financing USD	Co-financing
Promoting Energy Efficiency in the Pacific	Tonga, Samoa, Vanuatu, Cook Islands	ADB	6,000,000	23,000,000
Action for the Development of Marshall Islands Renewable Energies	Marshall Islands	UNDP	1,100,000	TBD
Sustainable Economic Development through RE Applications	Palau	UNDP	1,100,000	3,430,000
Regional Renewable Energy	PNG, Solomon Islands, Vanuatu, Fiji, Kiribati	World Bank	5,000,000	TBD
Accelerating the Use of Renewable Energy Technologies	Nauru, Niue and Tuvalu	UNEP	1,500,000	TBD
Total			14,700,000	26,430,000

GEF-PAS Proposed International Waters Project

Project Name	Countries	GEF IA	GEF Financing USD	Co-financing
Implementing Sustainable Integrated Water Resource and Wastewater Management in the Pacific Island Countries	Cook Islands, Fiji, Kiribati, FSM, Nauru, Niue, Palau, PNG, Samoa, Solomon Islands, Tuvalu, Vanuatu, Marshall Islands, Tonga	UNDP and UNEP	10,000,000	57,259,364

GEF-PAS Proposed POPs Projects

Project Name	Countries	GEF IA	GEF Financing USD	Co-financing
POPs Monitoring	Fiji, Kiribati, Niue, Samoa, Palau, Solomon Islands	UNEP	517,000	490,000
DDT Alternatives	PNG, Solomon Islands and Vanuatu	UNEP	1,000,000	TBD
Integrated Management of Solid and Hazardous Wastes and POPs	Cook Islands, FSM, Marshall Islands, PNG, Samoa, Tuvalu, Palau, Tonga	UNEP	3,500,000	TBD
National Implementation Plan	Cook Islands	UNDP	290,750	Approved
Total			5,307,750	490,000

OVERVIEW OF PACIFIC REGIONAL ORGANISATIONS (Source: Draft EU/Pacific ACP Regional Strategy Paper for the 10th EDF)

ORGANISATION	MANDATE/MISSION/MAIN ACTIVITIES	MEMBERSHIP (Notes: names in **bold** are Pacific ACP members; names in *italics* are Pacific OCTs.)	WORK PROGRAMMES
Pacific Islands Forum Secretariat (PIFS)	To service the annual Forum meeting of the heads of Government of the independent and self-governing countries of the Pacific, and to foster regional cooperation and integration, particularly on economic and trade matters, as directed by the Forum.	**Cook Islands; Federated States of Micronesia; Fiji Islands; Kiribati; Nauru; Niue; Palau; Papua New Guinea; Republic of Marshall Islands; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu;** Australia; New Zealand	Economic Policy Regional Policy Coordination Donor Coordination Sustainable development International & Political Issues Legal and Law Enforcement Trade, Private Sector and Investment Policy Support Export Development & Marketing Economic Infrastructure Policy
Fiji School of Medicine (FSchM)	To provide quality health professional education, training and research for the Pacific. It offers academic programmes in medicine, dentistry, environmental health, radiography, medical laboratory technology, nutrition and dietetics, pharmacy and public health.	**Fiji** Line Ministries, Members of Health Professionals, Representatives of USP, Pacific Representatives from **Melanesia, Micronesia and Polynesia (Palau, FSM, Marshall Islands, Kiribati, Tuvalu,** Timor Leste**, Papua New Guinea, Solomon Islands, Vanuatu, Tonga,** American Samoa**, Samoa, Niue,** Tokelau**, Cook Islands)**	Academic Teaching Academic Support Services Distance Learning Dissemination of Knowledge by Teaching General Education Programme Information and Research Regional Centre for Excellence
Forum Fisheries Agency (FFA)	To collect and disseminate to its members countries information and advice on the living marine resources of the region, including the management, exploitation and development of these resources, and to coordinate and provide expert fisheries management and development advice and service to member countries	**Cook Islands; Federated States of Micronesia; Fiji Islands; Kiribati; Nauru; Niue; Palau; Papua New Guinea; Republic of Marshall Islands; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu;** Australia; New Zealand	Tuna Industry Policy Regional Tuna Management Economics & Marketing Legal Services Monitoring & Surveillance Information Technology Corporate & Treaty Services
Pacific Islands Development Programme (PIDP)	To contribute to the processes of sustainable development through research, education and dialogue and advance cooperation and understanding between Pacific islands and	**Cook Islands; Federated States of Micronesia; Fiji Islands; Kiribati; Nauru; Niue; Palau; Papua New Guinea; Republic of Marshall Islands; Samoa; Solomon Islands; Tonga;**	Professional Services and Research Development-Related Services Education and Training Pacific Islands Report

ORGANISATION	MANDATE/MISSION/MAIN ACTIVITIES	MEMBERSHIP (Notes: names in **bold** are Pacific ACP members; names in *italics* are Pacific OCTs.)	WORK PROGRAMMES
	Pacific rim nations.	**Tuvalu; Vanuatu;** America Samoa; *French Polynesia*; Guam; Hawai'i; *New Caledonia;* Northern Mariana Islands; Tokelau; *Wallis and Futuna*	Promote Economic Relations between U.S and PICs.
Pacific Islands Applied Geo-science Commission (SOPAC)	To assist its member countries in identifying, assessing and developing the mineral and non-living resource potential of the extensive marine resource jurisdiction as declared under the United Nations Convention on the Law of the Sea (UNCLOS).	**Cook Islands; Federated States of Micronesia; Fiji Islands; Kiribati; Niue; Papua New Guinea; Republic of Marshall Islands; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu;** Australia; *French Polynesia*; Guam; *New Caledonia*; New Zealand	Applied Environmental Geoscience Natural Resources Development Non-Living Resources Reducing Vulnerability and Risk Management Ocean and Island Ecosystems Sustainable Water and Sanitation Services Resource Asset Management
Pacific Power Association (PPA)	Enhance the performance of power utilities in the region through a cooperative effort by maintaining a partnership among the Active Members.		
Secretariat of the Pacific Community (SPC)	To provide service to its members countries and cooperation with other regional and international organisations with the aim of improving economic, social and environmental qualities of the region, with an emphasis on activities conducted in rural areas and at the grass roots level.	**Cook Islands; Federated States of Micronesia; Fiji Islands; Kiribati; Nauru; Niue; Palau; Papua New Guinea; Republic of Marshall Islands; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu;** America Samoa; Australia; France; *French Polynesia*; Guam; *New Caledonia*; New Zealand; Northern Mariana Islands; *Pitcairn Island*; Tokelau; United Kingdom; United States; *Wallis and Futuna*	Agriculture and Forestry Programmes Plant Protection, Quarantine, Animal Health & Trade Facilitation Public Health, Veterinary Services, Resource Economics Coastal, Oceanic Fisheries and Maritime Programme Nutrition, HIV Programmes, Culture & Statistics Programmes IPR, Renewable Energy, Health Issues.
South Pacific Board for Educational Assessment (SPBEA)	To provide quality service to its members, promote self reliance in the area of educational assessment and to encourage members countries to keep abreast with current developments in the area of educational assessment.	Australia**, Fiji Islands, Kiribati, Nauru,** New Zealand**, Samoa, Solomon Islands,** Tokelau**, Tuvalu and Vanuatu**	Assessment Support Assessment Training Examination Services Information Technology, Research and Special Services
South Pacific Regional Environment	To promote cooperation in the South Pacific region and to provide assistance in order to protect and improve its environment and to	American Samoa; Australia; Commonwealth of Northern Marianas; **Cook Islands; Fiji Islands; Federated States of Micronesia**; France; *French*	Environment Management Conservation and Ecosystems Management Species Protection

ORGANISATION	MANDATE/MISSION/MAIN ACTIVITIES	MEMBERSHIP (Notes: names in **bold** are Pacific ACP members; names in *italics* are Pacific OCTs.)	WORK PROGRAMMES
Programme (SPREP) South Pacific Regional Environment Programme (SPREP)	ensure sustainable development for present and future generations.	*Polynesia*; Guam; **Kiribati; Nauru**; *New Caledonia*; New Zealand; **Niue; Palau; Papua New Guinea**; *Pitcairn*; **Republic of Marshall Islands; Samoa; Solomon Islands**; Tokelau; **Tonga; Tuvalu**; United States of America; **Vanuatu**; *Wallis and Futuna*	Pollution Prevention & Waste Management Climate Change and Variability Sustainable Development Sea Level Rise and Vulnerability Integrated Environment & Development Communications and information Traditional Resource Management
South Pacific Tourism Organisation (SPTO)	To provide service to its members countries and promote cooperation among regional organisations in the promotion and marketing of tourism in the South Pacific region.	**Cook Islands; Fiji Islands; Kiribati; Niue; Papua New Guinea; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu;** America Samoa; *French Polynesia; New Caledonia*	Regional Cooperation on Tourism Marketing & Promotional Activities Eco-Tourism Research & Development Promoting Cultural identities
University of the South Pacific (USP)	To provide for the Pacific region's need for cost effective and internationally recognised higher education and training at all levels; and To ensure that such education and training is sensitive and relevant to the diverse island cultures and environment; and to promote social and economic advancement and good governance among Pacific communities.	**Cook Islands; Fiji Islands; Kiribati; Nauru; Niue; Republic of Marshall Islands; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu;** Tokelau	Academic Teaching USP Canters Teaching Institutes Subvention Academic Support Services Distance Learning Dissemination of Knowledge by Teaching Community Services General Education Programme Research, USP Council, University Visitors Satellite Communications Network Information and Research International Centre for Excellence

The Farming Systems and Sustainable Livelihoods Programme (FSSLP) Horizontal Component Sub-Programmes: Main Thrust and Results (source: FSSLP Programme Document**)**

Sub-programme 2.1: Regional Food Quality & Safety Improvement	
Main Thrust	*Sub-programme Results*
Interventions are aimed at harmonising national regulations and standards with internationally accepted standards, in particular those of IPPC, OIE and Codex Alimentarius. The programme will help improve PICs' familiarity with global standards; strengthen capacity for inspecting, testing and analyzing products for compliance, and evaluating and enforcing quality control, safety and information standards. ***Programme will be country specific in addressing needs; however, the basic principles and pillars of food safety are adhered to across the region, with the aim of increasing effective ownership and participation of all stakeholders. Special attention is given to avoiding duplication of other food safety initiatives in the region and ensuring close coordination with regional and national organisations concerned with food safety and trade.***	**Intermediate Outcomes:** 1. Agricultural and fisheries products meet international quality & safety standards 2. Competitiveness of food products in local & export markets improved **Immediate Outcomes**: 1. Physical and human resource capacities for food testing, analysis, standard setting and certification based on global standards developed and accessible to all countries in region/ sub-regions. 2. National legislative and regulatory frameworks for food quality and safety assurance developed or enhanced within each country in the region. **Main Outputs:** 1. Improved and updated understanding on: a) status of food quality and safety legislations/ regulations; b) the desirability/ feasibility of developing food analytical laboratories at national, regional and/or sub-regional levels determined; and c) capacity building needs systematically identified. 2. Food analytical laboratories meeting national, regional and/or sub-regional requirements designed, built and equipped, and international accredited as necessary; food laboratory technicians able to carry out stipulated operations and procedures. 3. Pool of trained personnel with responsibilities for implementing food quality and safety inspection, testing and certification; and systems of testing for food quality and safety standards piloted/ established. 4. Draft legislations and regulations that comply with global food quality and safety standards developed based on country situations and requirements.

Sub-programme 2.2: Regional and International Trade Facilitation	
Main Thrust	*Sub-programme Results*
Improving capacity to analyse and address constraints and opportunities directly related to agricultural trade policy; Facilitating Partnering and Sharing (P&S) activities between countries that share common opportunities e.g. produce the same commodities, to enhance trade and food security.	**Intermediate Outcomes**: 1. Improved export earnings from food and agricultural products. 2. Strengthened regional integration in food and agriculture. *Immediate Outcomes:* 1. Regional and country compliance with international and regional trade agreements and standards. 2. Increased investments in PICs' fresh and processed food industries, especially those involved in or targeting exports **Main Outputs:** 1. Improved understanding and knowledge base on existing status of agriculture, forestry and fisheries value added industries in PICs. 2. Feasibility of partnering and sharing determined. 3. Needs at regional and country levels in value chain development and application, trade information, communication including ICTs, and for capacity identified. 4. National capacity enhanced in: a) export trade negotiations and export trade promotion, b) value chain development/ application; and c) partnering and sharing. 5. Partnering and sharing initiatives promoted in the region. 6. Enhanced participation of national experts in regional and international trade negotiations and standard setting relating to international agreements (such as AoA, SPS, TBT, OIE). 7. Improved capacity of quarantine service in analysis of import risk analysis and market access issues.

Sub-programme 2.3: Climate Change Preparedness Adaptation & Mitigation	
Main Thrust	*Sub-programme Results*
Improving coordination among regional and national disaster mitigation and management institutions and systems, with a focus on information flow and capacity building among farmers to prepare and respond to natural disasters and adapt to and mitigate the impacts and threats of climate change. ***Build on the work being initiated by SOPAC aimed at assisting PIF countries to develop their National Disaster Management Plans and by SPC Land Resources Division (LRD) to ensure that PICs can access crop, forestry and agro-forestry PGR that will help them manage natural disasters and climate change, protection of ecosystems vulnerable to natural disasters and climate change, and appropriate irrigation technologies.*** ***Participatory methods, such as Landcare concept and approach of mobilising local communities at grassroots level in care of the land, to be promoted actively in partnership with the successful ongoing***	**Intermediate Outcomes:** 1. Wider choice of agricultural technologies (e.g. drought resistance/ salt tolerance options) 2. Adoption of appropriate natural resource management regimes by major stakeholders (in coastal area and other critical ecosystems). *Immediate Outcomes* 1. Agricultural research and development activities focused on increasing the range of crop species and varieties, with resistance or tolerant traits, initiated and/or sustained at national and regional levels. 2. Integrated coastal area management processes set in motion and action plans at national, sub-national and community levels prepared and under implementation. 3. Land and water use strategies and action plans prepared and implemented at national and local levels, including environmental hotspots such as degraded areas, critical watersheds and wetlands. 4. Close coordination and harmonisation of sub-programme activities with climate change mitigation and adaptation initiatives of other regional and national institutions, including disaster preparedness and mitigation programmes. **Main Outputs** <u>Component 1: Agricultural Diversification</u> 1. Enhanced regional and national knowledge base on the issues, potentials, opportunities and constraints relating to crop diversification, covering existing crop and tree genetic resources and resistant/tolerant traits of crops and trees (pest, drought and salt) identified. Skill gaps, training needs and capacity building strategy and programme determined. 2. Laboratory and equipment of MPPRC in Kosrae and CePaCT in Fiji upgraded and operational. 3. A climate change adaptation collection (crops and trees) from sources in PICs and internationally possessing desired tolerant/resistant traits established in MPPRC or CePaCT.

Landcare movement in Australia. Attention to improved land management and soil fertility improvement strategies, participatory development of land use plans and action frameworks, and the development and use of GIS tools, towards improved sustaining soil fertility and agricultural productivity.	4. Research and development personnel with enhanced knowledge and skills in: a) tissue culture and macro-propagation techniques for selected crops and varieties for utilisation in climate change adaptation strategies; b) farming system development, including soil amelioration/ land husbandry and multiple cropping practices tailored to specific circumstances within the region/ sub-regions. 5. National crop improvement programmes focusing on climate change adaptation provided enhanced PGR collection, and screening, monitoring and performance evaluation procedures in place. <u>Component 2: Integrated Coastal Area Management</u> 1. Enhanced regional and national knowledge base on the issues relating to unsustainable use and management of coastal ecosystems, including coastlines, coral reefs, mangroves and critical watersheds/ catchments. 2. Suitable species for the rehabilitation of coastal areas and integration into the agroforestry system identified and evaluated, including for salt tolerance, pest and disease resistance, and fast growing characteristics. 3. National professionals with enhanced knowledge and skills on plant propagation techniques and maintenance of planting areas under coastal rehabilitation and agroforestry systems. 4. A regional tree seed bank of timber, fruit and nut trees established and made operational through CePaCT. 5. Integrated coastal area management (ICAM) approaches for coastal protection piloted and tailored to economic, social and environmental characteristics of the region/ sub-regions. <u>Component 3: Land and Water Management and Use</u> 1. Enhanced regional and national knowledge base on the issues relating to unsustainable use of land and water resources, as basis for identifying mitigation and/or adaptation options and frame needed actions. 2. National professionals with enhanced knowledge and skills on sustainable land management approaches, soil conservation methods, watershed management and efficient use of water for agriculture. 3a) Institutional framework developed for participatory management of land and water resources, focusing on rehabilitation of environmental hotspots like degraded areas, critical watersheds and wetlands. This includes formation and/ or facilitation of grassroots

	organisations such as Landcare Groups, steering committees and focal points. 3b) National land use policies formulated or enhanced. 3c) Land resource database and GIS established, and national soil laboratories upgraded. 3d) Research and development programmes on land and water use issues initiated. <u>Component 4: Technical and coordination support to sub-programme</u> 1. Strategic and operational plans of the entire sub-programme prepared and communicated to all key regional and national organisations and other partners in the region. 2. Regular interaction with regional and national institutions responsible for natural resource and environmental management and for disaster preparedness and mitigation. (including SOPAC and SPC/ LRD).

Sub-programme 2.4: Policy & Programme Development Support	
Main Thrust	*Sub-programme Results*
Capacity building - training on policy development at the regional and national levels; countries to be able to adjust their national policy and strategic frameworks so as to support efforts to develop and implement FS programmes; Regional & sub-regional workshops; attachments of personnel to policy and planning units in selected countries; creation of appropriate policy frameworks. ***Supporting follow-up design, planning and detailed feasibility studies required to move ahead with broad, indicative proposals and help firm up agreed, country-level and regional proposals that can be supported by international donor organisations. In addition, measures to mobilize additional government resources in their agricultural sectors to be identified.***	**Intermediate Outcomes:** 1. Enabling Policy Environment created for enhanced agricultural production, value addition and marketing in the Region. 2. Increased availability of good quality regional and country level development proposals (technical, economic, social, environmental & management viewpoints). 3. Increased funding & technical support of donors and development partners. *Immediate Outcomes* 1. Realistic national policies and strategic frameworks to develop and implement food security programmes promulgated and adopted. 2. Policy processes for food security at national and regional levels initiated and/or sustained. 3. Holistic food security programme development process initiated and supported at country level. **Main Outputs** 1. Skill gaps, training needs and capacity building strategy and programme identified. 2. National professionals responsible for policy development provided necessary technical knowledge on policy processes, including analysis, formulation, implementation, and in development planning methods. 3. Agricultural policies in support of food security goals formulated or updated in a participatory manner in a number of PICs. 4. Core group of development planning personnel provided hands-on skills in programme development, including preparation of proposals for national and external funding of food security activities.

Country Overview:

Cook Islands

Receipts	2004	2005	2006
Net ODA (USD million)	9	8	32
Bilateral share (gross ODA)	65%	86%	95%
Net ODA / GNI	..	..	..
Net Private flows (USD million)	- 4	- 29	3

For reference	2004	2005	2006
Population (million)	0.02	0.02	0.02
GNI per capita (Atlas USD)	..	..	..

Top Ten Donors of gross ODA (2005-06 average)		(USD m)
1	Italy	12.24
2	New Zealand	4.71
3	Australia	1.86
4	AsDF	0.75
5	EC	0.54
6	Japan	0.18
7	UNTA	0.15
8	Canada	0.10
9	UNDP	0.01

Due to insufficient coverage, sectoral breakdown is not available for this country.

Sources: OECD, World Bank.

National Development Framework: Cook Island's development goals are set out in *Te Kaveinga Nu – Living the Cook Island's Vision*, a 2020 Challenge and the NATIONAL SUSTAINABLE DEVELOPMENT PLAN (NSDP 2007-2010).

The NSDP lists eight strategic areas for development:

1. Access to health, education and other social services
2. Law and order, and good governance
3. Private sector-led economic growth
4. Sustainable use of natural resources and the environment
5. Strengthening infrastructure, transport and utilities
6. Safe secure and resilient communities
7. Effective foreign policy
8. Strengthening national development planning

The strategies, specific activities and or targets in the NSDP 2007-2010 have yet to be costed and prioritised. Key economic drivers include tourism, agriculture, black pearl industry and fisheries. There is a National Agriculture Strategy (2001) which is being reviewed and updated with the assistance of FAO. The Ministry of Marine resources has recently prepared a Corporate Plan (2006-2009) which sets out the priorities and strategies of the Ministry of Marine Resources for the next three years. The National Environment Strategic Action Framework (NESAF) is the leading policy framework for managing the environment.

The Aid Management Division (AMD) of the Ministry of Finance and Economic Management (MFEM) is the designated executing agency for aid funding in the Cook Islands. It is primarily responsible for the planning and overall management of donor program and project activities. The division provides secretariat services for the Aid Coordinating Committee (ACC) and provides the national executing functions for the ACC for aid funds and concessional loans for the Cook Islands.

Development Partners Active in Country:

Bilateral Partners:

Australia has a harmonized aid program with New Zealand. Australia provides an annual contribution of funds to NZAID for implementation and management (see NZ below), but still contributes to the strategic direction of the programme and activities.

Italy Adaptation to climate change (NZ$175,000) need more information possibly under the Italian support to the region in sustainable development implemented by UNDESA?.

New Zealand: NZAID's priority is to support economic and social development in the Cook Islands. A five-year joint strategy between NZAID, AusAID and the Cook Islands Government aims to strengthen governance, improve the delivery of basic social services, and build prospects for sustainable economic development. A new JOINT COUNTRY STRATEGY (JCS) for 2008 – 2017 is being finalised, guided by the NSDP. The two

overarching themes of the JCS are Increased Resilience and Reduced Vulnerability. These themes determine the approach of the strategy in relation to priority areas and objectives of the JCS which are:

4. To support the delivery of quality education, health and social services
5. strengthening public sector and civil society governance and service delivery; and assist in promoting sustainable livelihoods and an innovative and well-managed private-sector-led economy through:
    - Creating an enabling environment for economic growth based on NZAID Growth and Livelihoods policy
    - Strengthen Cook Islands Marine Resources Strategy and promote sustainable development of natural resources
    - Increased income and employment opportunities for outer islands
6. Provide sound infrastructure that will support sustained growth and Outer Island development.

NZAID are funding a four year Cook Islands Marine Resource Industry Strengthening Programme (CIMRIS, NZ$4.2 million). The purpose is to increase the economic potential of the marine sector in a sustainable way by institutional strengthening and capacity building.

ODA total allocation for 2006/7 was NZ$8.0 million (US$6.41 M), made up of NZ$6.4 million from NZAID and NZ$1.65 million from AusAID. An additional allocation of NZ$3 m is for cyclone reconstruction and recovery planning.

Peoples Republic of China (PRC) provides bilateral support to Cook Islands focused by government requests for assistance. PRC have provided considerable assistance (NZ$4.0 million) for provision of infrastructure (Prime Minister's Office, Police HQ).

Multilateral Partners:

Asian Development Bank (ADB). The COUNTRY STRATEGY AND PROGRAMME UPDATE (CSPU 2004-2006) and the Country Operations Business Plan 2007-2009 provided the strategic and operational framework for ADB's activities in Cook Islands. A new Country (CPS) 2008-2012 has been finalized in 2008. ADB strategic focus proposed is private-sector-led environmentally sustainable economic growth through improved public infrastructure and improving public sector service delivery.

Total Asian Development Fund (ADF) indicative lending allocation for 2007-2008 is estimated at US$5.12 million. This amount is assumed for planning a loan to be approved in 2008 and disbursed in 2009-2012. An infrastructure development project has been included in the lending programme. The project will address priority infrastructure development in the water supply, solid waste and sanitation; transport; and energy sectors and will incorporate measures for "climate proofing".

The indicative annual non-lending programme is US$300,000 for 2007–2009. Technical assistance (TA) for Strengthening Disaster Management and Mitigation completed an infrastructure master plan, providing a general framework to guide infrastructure development projects. The 2007 non-lending programme includes a project preparatory TA for the proposed infrastructure development project. This will prepare a prioritized feasibility study and a least-cost and harmonized infrastructure development financing plan. In 2008, the non-lending program includes an advisory TA project to support project implementation, public finance management and capacity building. Drawing on the biennial non-lending allocation for 2006-2007, the project preparatory TA for the infrastructure development project has been proposed for Japan Special Fund (JSF) funding at $500,000. Additional technical assistance, focused on capacity building and institutional reform, will be processed as an associated TA project for the proposed infrastructure development project. This technical assistance is designed to enhance the efficiency and sustainability of the proposed infrastructure investments and the delivery of infrastructure services. The TA project will take place in 2008 and will cost an estimated US$300,000.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus for the 9th EDF is outer island social development, absorbing 85% of the A-allocation of € 2.9 million. The remaining 15% of the A-allocation will be made available to non state actors.

The 10th EDF A-envelope allocation is €3.0 million and €0.3 million for the B-envelope. The focal sector is water and energy sector, in particular water and sanitation and 85% of A-envelope funds will be devoted to this. The balance of funds will be Technical Co-operation Facility (TCF). The focal sector activity should form part of the multi-country project in the areas of water and energy, but for Cook Islands will focus exclusively on water and sanitation projects.

UN Agencies: FAO is providing assistance to review the agriculture policy and has just commenced support for a TCP project "Enhancing the Capacity of Young Farmers in Farm Management, Marketing and Agribusiness" (US$299,000). A TCP project "Strengthening Floriculture Development in the Cook Islands through the use of disease-free planting materials for income generating and Food Security" (US$234,000.00) was approved in January 2008. Under the RPFS a fruit tree development project aimed at promoting the growing of local and introduced species of fruit trees in the Southern Island Group is being implemented. As part of an assessment of climate change on agriculture and food security in the Pacific, Cook Islands have been selected as one of three countries for a case study. WHO is providing core programme support for improved nutrition, food hygiene and safety, and to review food legislation and regulations. UNDP is the implementing agency for two GEF financed environment projects and also provides some support for renewable energy (wind resource assessments).

NGOs

Multilateral Development Facilities

Global Environment Facility: The Cook Islands has received support from the GEF for environmental projects at country as well as a regional level, focusing on biodiversity, climate change, and international waters. At the country level, the assistance has supported enabling activities for a biodiversity strategy and associated action plan, and a national capacity needs self-assessment for global environmental management. At the regional level, the Cook Islands has participated in climate change-related activities; greenhouse gas abatement, through a renewable energy project; an oceanic fisheries management project; a renewable energy program; and training related to biodiversity conservation and climate change, in support of implementation of the United Nations Framework Convention on Climate Change. Current GEF projects include a country-level activity related to persistent organic pollutants, and two regional initiatives on integrated water resources and wastewater management, and energy efficiency.
Cook Islands participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with priority areas for proposals in: Invasive species management; Integrated island and community-based biodiversity conservation; Adaptation to climate change (PACC); Climate change mitigation (Improved energy efficiency), Integrated sustainable water resource and wastewater management; and Integrated solid and hazardous waste and POPs management(POPs) and cross capacity building to sustain global environmental benefits (follow up to NCSAs).

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Cook Islands Marine Resource Industry Strengthening Programme (CIMRIS)	NZAID	MMR	To increase the economic potential of the marine sector in a sustainable way by institutional strengthening and capacity building.	2006-2010?	3,234,000
TA for Reviewing the National Agricultural Policy. TCPF Project	FAO	MAIA	Assist with review and drafting of National Agriculture Policy	2007-2008	21,145
Enhancing the Capacity of Young Farmers in Farm Management, Marketing and Agribusiness TCP Project	FAO	MAIA	The purpose of the project is to assist the Ministry of Agriculture in the establishment and monitoring of farm management, marketing and agribusiness capacity amongst young farmers and young farmer groups and to enhance the recognition of the important role young farmers have for the future development of the agriculture sector in the Cook Islands and its economy in general.	2008-2009	299,000.
Strengthening Floriculture Development in the Cook Islands TCP Project	FAO		The assistance aims at strengthening farmers and women village group knowledge/skills on ornamental management, introducing disease free planting materials and uplifting quality standards of Flowers for the local markets. This will support the growing demand for flowers and create economic activities for many of the unemployed, including outer island women groups and school leavers	2008-2009	234,000
Fruit Tree Development Project	Italy (FAO RPFS)	MAIA	The project aims to promote the growing of local and introduced species of fruit trees including improved varieties, among farmers in Cook Islands' Southern Island Group. The main activities in the two result areas (increased bulking up capacity of fruit tree seedlings, and farmers trained on fruit tree husbandry practices) included: construction of nursery; procurement of inputs; field study to Australia to procure planting material; propagation and distribution of improved tree species and varieties; training of staff and farmers; field days and extension visits; and fruit market study.	2004-2008	200,110

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Training	WHO	MoH	Nutrition Workshops for Primary School Teachers	2008	2,000
Training Scholarship	WHO		Diploma in Nutrition and Dietetics	2008	23,000
TA	WHO		Review food laws and regulations	?	14,500
Training			Workshop for vendors on food handling and hygiene	2008	3,000
Programme (Outer Island Infrastructure, CRRP)	NZAID/AusAID	MoW, OMIA, CIIC	Building up water systems for outer islands	Ongoing	770,000

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
National Capacity Self Assessment (NCSA) Global Environmental Management	GEF	UNDP, Department of Environment Service	To provide the key national decision makers and external-funding agencies with critical information about the country's specific capacity needs to protect and manage the global environment. The project will be process-driven and will produce a document highlighting prioritized national capacity needs, resource mobilization strategy and a capacity development action plan	2003-ongoing	200,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Second National Communication (SNC) under The United Nations Framework Convention on Climate Change (UNFCCC)	GEF	UNDP	To prepare the second national communication (SNC) under The United Nations Framework Convention on Climate Change (UNFCCC). The activities within the SNC are a follow-up and update of the work done by Cook Islands to prepare its initial national communication (INC) that was carried out under the regional Pacific Islands Climate Change Assistance Project (PICCAP). The main components of the project are: a) Inventory of GHG Emissions, b) Programmes containing measures to facilitate adequate adaptation to, and mitigation of climate change, c) and Programmes and national action plans will further enhance the national capacities and will raise general knowledge and awareness on climate change and its effects	2005-2008	420,000
An Assessment of Climate Change on Agriculture and Food Security in the Pacific: Cook Islands Case Study	FAO TCPF		Study to assess the impact of climate variability on agriculture and food security in the region and the capacities of countries to implement international and regional agreements relating to agriculture.	2008	40,000
Climate Change Preparedness Programme	NZAID/AusAID	MoW, OMIA, CIIC	Climate Proofing new Infrastructure projects	Ongoing,	varied costs (CRRP 7.7million over 3 years)
Disaster Preparedness Project	EU		Pukapuka Cyclone Emergency Centre	2009 pipeline	1,078,000

Acronyms

National agencies

CCIC	
MAIA	Ministry of Agriculture and Internal Affairs
MMR	Ministry of Marine Resources
MoH	Ministry of Health
MoW	Ministry of Works
OMIA	Office of Minister of Internal Affairs

Cook Islands Proposed Projects for FSSLP

	COMPONENT I	**Estimated Cost US $**
1	Enhancing Crop production	228,830
2	Penhryn Snapper Fish Industry Development	185,000
3	Agricultural mechanisation	450,000
	Sub-total	***863,830***
	COMPONENT III	
1	Shelter for the Punanganui Market	348,080
2	Relocation of the Government Agricultural Research Station	2,140,000
3	Demonstration Aquafarm	250,000
	Sub-total	***2,738,080***
	TOTAL	**3,601,910**

Country Overview:

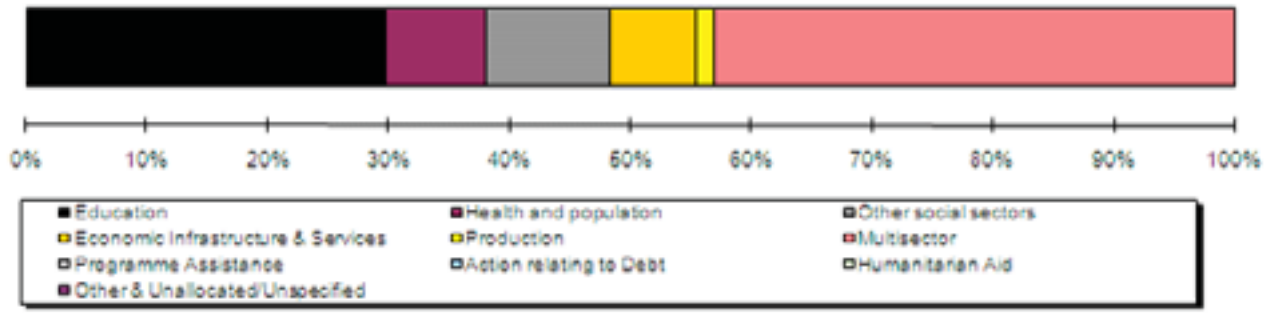
Micronesia,Fed. States

Receipts	2004	2005	2006
Net ODA (USD million)	86	106	109
Bilateral share (gross ODA)	99%	98%	98%
Net ODA / GNI	35.8%	41.6%	41.3%
Net Private flows (USD million)	0.00	0.04	0.59

For reference	2004	2005	2006
Population (million)	0.1	0.1	0.1
GNI per capita (Atlas USD)	2 300	2 390	2 380

Top Ten Donors of gross ODA (2005-06 average)		(USD m)
1	United States	96.33
2	Japan	6.68
3	AsDF	2.10
4	Australia	1.78
5	New Zealand	0.28
6	UNTA	0.23
7	Canada	0.10
8	EC	0.04
9	Korea	0.02
10	Greece	0.01

Bilateral ODA by Sector (2005-06)



Sources: OECD, World Bank.

National Development Framework: the Strategic Development Plan 2004–2023: Achieving Economic Growth and Self-Reliance (SDP), and the Infrastructure Development Plan are the principal planning documents used by FSM and the US for implementation of the Compact programmes. These plans are also intended to guide programming of assistance from other development partners.

Development Partners Active in Country:

FSM earns an estimated US$20 million annually from licensing of foreign vessels fishing in its 1 million sq km EEZ, and has fishing agreements with the EU, China, the US, Japan, Taiwan and Korea.

Bilateral Partners:

Australia's aid to the Federated States of Micronesia concentrates mainly on education and training, providing scholarships for study at regional universities. The scholarships help students gain knowledge and skills to address the human resource development needs of the country. Australia also funds the Small Grants Scheme, which supports community organisations or supplements the work of government agencies to provide direct assistance to small-scale community development by targeting governance, education and health. The Flexible small grants scheme is primarily aimed at supporting small-scale development projects and activities that are participatory in nature and have involved beneficiaries in their identification, design, and management. Australia has also provided funding for advisers to undertake short-term projects in support of the government's economic reform program. These included a statistics adviser and a financial analyst.

The development assistance in 2006-07 totaled approximately A$1.3 million.

Peoples Republic of China (PRC) provides bilateral support to FSM focused by government requests for assistance. The programme includes infrastructure and direct budget support. The programme is estimated at about US$15 million (2007) with half going to budget support. China also supports a Pilot Farming Project Demonstration in Madolenihmwe, Pohnpei.

Japan provides an estimated grant aid of US$5 million annually for assistance to development mainly for transport (including harbor improvement) and communications infrastructure. Japan also supports waste recycling projects. JICA is providing technical assistance for training in coastal fisheries.

United States of America (USA): A revision to the original Compact of Free Association (1986) was passed into law in

December 2003. Under the terms of Compact 11, budgetary transfers are replaced by sector grants (providing approximately US$76 million per annum, decreasing by US$0.8 million per annum) and a Trust Fund (providing approximately US$16 million per

annum, rising by US$0.8 million per annum). Funds provided under the sector grants are allocated to activities in six priority sectors: infrastructure, education; health care; private sector development; environment, and; capacity building. The gradual increase in trust fund contributions are offset by a corresponding annual reduction in the sector grants. Trust funds contributions will not be utilized until the compact concludes in 2023, by which time it is intended that accrued trust funds would replace the annual sector grants.

Multilateral Partners:

Asian Development Bank (ADB): The COUNTRY STRATEGY PROGRAMME UPDATE (CSPU 2006-2007) and the Country Operations Business Plan 2007-2009 provide the strategic and operational framework for ADB's activities in FSM. The priority areas for ADB are: governance, inclusive social development and pro-poor economic growth. A joint country partnership strategy (CPS) for FSM will be initiated in 2008. No new lending is currently proposed for 2007–2009, but the assistance pipeline will be reviewed during the development of the CPS in 2008. ADB is considering indicative annual TA support for 2007–2009 at around US$700,000

The TA during the period 2007–2009 will address improving: economic management, planning and modeling; performance reporting in national and state departments; the effectiveness of selected public utilities; and information sharing between FSM's congress, state legislature and civil society. The TA (economic management, planning and modeling) will support the implementation of the SDP and its goal of economic self-sufficiency through advice to develop short-term action plans in support of the SDP at the national and state levels, and to strengthen the performance based budget process; and linkages between the budget and the national plan, which will facilitate the financing of these activities.

European Union (EU): Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. FSM has been allocated, €4.8 million under the A-envelope for financial and technical co-operation and €1.4 million under the B-envelope for the period 2002-2007 (the 9th EDF). The program aims to contribute to outer island development through the identification and use of new and renewable sources of energy, and support to the work of non-state actors in the areas of conservation and environmental protection (€720,000). Expected results from the environment programme include an improved technical capacity of NSAs, and greater public awareness and acceptance of conservation and environmental protection issues.Under the 10th EDF the A-envelope allocation is €8.3 million and 90% of this (€7.47 M) will be used for additional support for renewable energy projects implemented under the multi-country (9 small island countries) programme. The balance of the A-envelope will be used for a technical cooperation facility (TCF).

The EU bilateral fishing agreement brings revenue of €559,000 pa and at least 18% of this will finance the definition and implementation of sectoral fisheries policies aimed at enhancing responsible fishing in FSM waters.

World Bank: The framework for assistance is the Pacific Regional Strategy 2006-2009. The programme combines lending, technical assistance and analytical work. Tentatively, the discussions encompass two broad areas: (a) to assist in encouraging the growth of the private sector through targeted interventions (for example through support for tax, public enterprise or regulatory reforms), and (b) to progress the public expenditure management reform agenda, such as enhancing the government's ability to maintain key assets, particularly as the FSM strives to adapt to scheduled reductions in direct U.S. Compact funding.

UN Agencies: FAO is providing support to aquaculture through the project "Sustainable Aquaculture Development in Pacific Micronesia" (US$323,000) which involves five Micronesian countries, but main activities are carried out in Palau. A proposal is also being reviewed for support to development and harmonization of fishery statistics in the FSM. WHO is providing technical assistance support for drafting food standards and for web-based reporting of imported food control and introduction of risk-based inspection.

UNDP's focus in FSM is in facilitating processes and providing technical advisory services that enhance small business development and trade in products from local micro-enterprises in order to increase income generation and sustainable livelihoods development and in providing support to enable FSM to meet its obligations to global agreements and to integrate these in national development planning and policy. UNEP provides grant support for the ongoing Persistent Organic Pollutants (POPS) programme which focuses on environmental awareness, and mitigation of hazardous and pollutive materials to both human and environmental health.

Funds from the World Health Organization (WHO) are provided to support the general health care related delivery services in the FSM. Programs include activities such as technical assistance, training, staff fellowships, workshops, vital statistics, health surveys, food safety and sanitation, leprosy prevention and control, health promotion, provision of medicines and supplies, and others. The programme funding for financial year 2007 was US$272.500.

Multilateral Development Facilities

Global Environment Facility: FSM has 2 projects being implemented under GEF co-financing and participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with the priority areas for proposals in: Sustainable finance systems for island protected area management (Micronesian Challenge); Invasive species management; Building resilience to climate change (PACC); Integrated sustainable water resource and wastewater management; Ridge to reef and integrated coastal management (Coral triangle Initiative); and Integrated management of solid and hazardous wastes and POPs.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Development and Harmonization of Fishery Statistics in the FSM	FAO TCP		The main objective of the project is to provide reliable and timely data on fisheries which will be useful for planning and monitoring the fisheries sector, for harmonizing the fisheries database throughout the FSM, and for better understanding on the importance or uses of fisheries data for planning, policy and decision making on the other issues arising in the country such as poverty and food insecurity.	2008 pipeline	281,000

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget
Private Sector Development Project	UNDP	Department of Economic Affairs, Pacific Business Center Programme	To facilitate the development of the Export Industry for local produce. The strategy is to assist Micronesian privately owned businesses in the FSM to invest in and develop a successful export industry.. The beneficiaries include People finding employment in the export business and export and supporting industries, growers of agriculture and aquaculture products including rural and remote areas finding a market for their products, the private sector business and the Government of FSM through increased foreign exchange and taxable income. The project is executed by the Government through the Department of Economic Affairs, in cooperation with the Pacific Business Center Programme	2005-2008	2,400,000

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Technical Assistance for Food Safety/Standards	WHO		Support for drafting food standards and for web-based reporting of imported food control and introduction of risk-based inspection	2008 ongoing	

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
NSA funding in area of Conservation and Environment Project	EU	Micronesia Conservation Trust	?	2006-ongoing	1,108,800
Assessment of Capacity-building Needs and Country Specific Priorities in Biodiversity Including Clearing House Mechanism.	GEF	UNDP			166,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD

Acronyms

National agencies

FSM Projects for the FSSLP

	COMPONENT 1	**Estimated Cost US $**
1	Island Food Community (IFC) Outreach	50,000
2	Small crops and Traditional staples Project	150,000
3	Integrated Coconut Development	100,000
4	Kosrae Citrus Development	50,000
5	Pohnpei Agroforestry Development	85,000
6	Yap Tapioca Development	50,000
7	Integrated Livestock Development	100,000
	Sub-total	***585,000***
	COMPONENT III	
1	Fisheries & Aquaculture Development	600,000
2	Produce Markets (include Fish)	800,000
	Sub-total	***1,400,000***
	TOTAL	**1,985,000**

Country Overview:

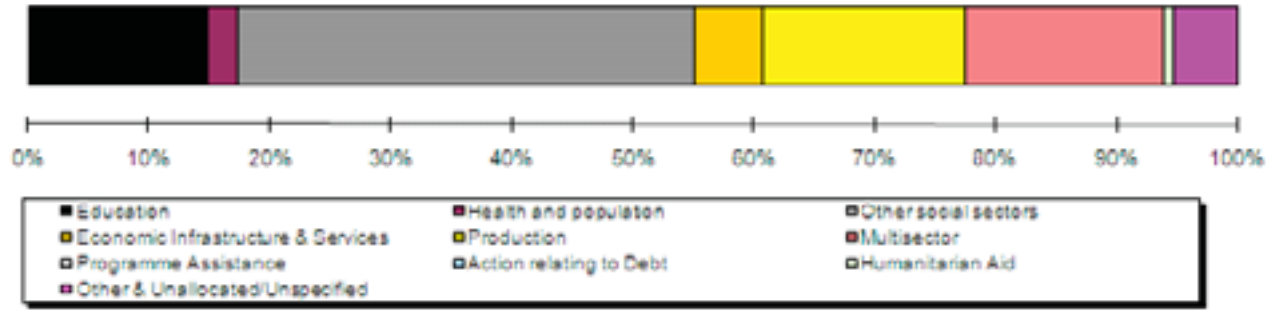
Fiji

Receipts	2004	2005	2006
Net ODA (USD million)	64	64	56
Bilateral share (gross ODA)	58%	62%	73%
Net ODA / GNI	2.5%	2.4%	2.0%
Net Private flows (USD million)	26	42	- 58

For reference	2004	2005	2006
Population (million)	0.84	0.85	0.85
GNI per capita (Atlas USD)	2 820	3 170	3 300

Top Ten Donors of gross ODA (2005-06 average)	(USD m)
1 Australia	21.2
2 EC	14.4
3 Japan	11.4
4 New Zealand	4.7
5 UNICEF	2.9
6 UNDP	2.4
7 France	1.3
8 United States	1.1
9 Korea	0.7
10 UNTA	0.6

Bilateral ODA by Sector (2005-06)



Sources: OECD, World Bank.

National Development Framework: the Strategic Development Plan (SDP) 2005-2007 was being reviewed and revised in 2006 (draft SDP 2007-2011), until the military intervention, subsequently the interim government is preparing the "*Peoples Charter for Change*" which they anticipate to launch in October 2008. Several donors do not recognize this document and are still guided by the priorities established under the draft SDP 2007-2011.

The Ministry of Agriculture, Sugar and Land Resettlement's (MASLR – now called the Ministry of Agriculture and Primary Industries) Strategic Development Plan 2006-08 has provided the framework to guide activities of the ministry. Key objectives of the strategy are to:

- Improve resource management (implement environmental-friendly, land and water management principles and farming practices)
- Improve productivity and output (adapt appropriate technologies to improve productivity, increase food production and income generation. Diversify into areas of comparative advantage)
- Conduct effective research, development and information dissemination (improve means of collecting data and information. Develop appropriate production technology research. Engage in applied research suitable for local conditions of agricultural production. Publicize and disseminate research findings and technologies).
- Improve trade market access (hasten transition from subsistence to commercial agriculture. Expand available market access and secure new niche and value added markets. Optimise opportunities for both domestic and external trade. Enhance knowledge and expertise in trade policy.
- Enhance stakeholder participation

The Ministry of Agriculture and Primary Industries (MAPI) is undertaking a review of its organizational structure, with assistance from FAO, and will also review and revise the strategic development plan. A new Forest Policy Statement was prepared by the Ministry of Fisheries and Forests (supported by SPC and the GTZ Pacific-German Regional Forestry Project) which was approved by Cabinet Decision on 6 November, 2007.

Donor coordination in the sector currently relies predominately on initiatives of the various development partners. A government Aid Coordination Committee is chaired by the Permanent Secretary of the Ministry of Finance and includes the Permanent Secretaries from Foreign affairs and Public Services, the Deputy Secretary from the Prime Minister's Department, the Deputy Secretary from Budget Department and Deputy Secretary from Planning Department. Proposals for development projects should be screened through this committee, however the Prime Ministers Department also liaises directly with some development partners. The last formal government-led donor coordination meeting was held in 2004.

Development Partners Active in Country:

Prior to December 2006, Fiji's key development partners included Australia, EU, Japan, New Zealand, People's Republic of China (PRC), and United Nations agencies. Most of the country's public external debt of about $105 million, equivalent to less than 5% of GDP, comprised official multilateral loans from ADB, European Investment Bank, and International Bank for Reconstruction and Development. ADB contributed about 73% of these loans. Bilateral agencies providing official loans included Japan Bank for International Cooperation, France, Netherlands, and PRC. Assistance from Australia, EU, and New Zealand focus was on education, training and health. ADB has been a key funding agency for infrastructure, with EU and PRC also lending to the sector. ADB and EU had developed a strong partnership in the agriculture sector, particularly in supporting sugar industry reforms. ADB with AusAID, the Government of Japan, the International Monetary Fund, and NZAID are supporting the Pacific Financial Technical Assistance Centre (PFTAC). AusAID, ADB, World Bank, and the Foreign Investment Advisory Service of the World Bank Group have assisted the Government identify bottlenecks to private sector development. Funding agencies, including ADB, AusAID, and World Bank adopted a coordinated and unified approach to capacity building in economic and public sector reforms to harmonize and enhance aid effectiveness.

Following the December 2006 military takeover of the civilian government several development partners have adjusted their programmes and some have imposed sanctions which limit the level of assistance provided to Fiji.

Bilateral Partners:

Australia. Prior to the December 2006, AusAID's country programme was focusing on institutional strengthening for law and justice, health and education sectors. Significant public sector reform and infrastructure activities were about to get underway. The aid programme has been repositioned, but is maintaining support to health and education, community development and the textiles industry, HIV/AIDs and the scholarship programme. Increasing emphasis is being placed on community justice activities and additional livelihood support through community organizations. Over coming years the programme will have increased focus on mitigating economic hardship through support to rural enterprise development and delivery of social services to rural areas. A new "*Engagement Framework*" now in draft is being finalsed. Priorities identified in the framework are:

- Building resilient communities (health, education, community development – conflict resolution, human rights, income generation)
- Good governance (building demand for good governance, civic education, civic-state interaction, support for elections)
- Platform for economic growth (rural enterprise development, support to textiles/clothing/footwear industry)

The country programme estimate for 2007-2008 was reduced by about 25% to Aus$21.0 million (US$ M)

The **Australia Centre for International Agriculture Research** (ACIAR) provides COUNTRY PROGRAMME ASSISTANCE TO FIJI in the agriculture, forestry and fisheries sector. A high priority in ACIAR's programme is economic and technical research aimed at developing alternative crops to sugar and in understanding the impact of specific policy changes on Fiji's food production sector. Development in promising horticultural crops and accompanying postharvest technologies and marketing options are being explored. At 30 June 2007 ACIAR's programme with Fiji included 19 active projects with a value over their lifetime of about Aus$4,049,000.

Japan. Fiji is not eligible for Grant Aid projects because it is above the economic development threshold (based on WB statistics) that Japan uses to determine country eligibility. Despite this, Japan provides general grant aid to Fiji for those projects which have regional benefits and those to the fisheries sector. Through JICA technical assistance support has been provided for vocational training including in the field of agriculture. Japan is also providing TA (dispatched experts and senior volunteers) through the School of Marine Studies at USP in resource management, aquaculture and fish processing. Opportunities to attend training courses in Japan are also made available.

Peoples Republic of China provides no direct support to the agriculture sector, but is encouraging possible private sector commercial investment in the sector. Under discussion with the interim government is concessional loan support for infrastructure including rural roads.

New Zealand has imposed sanctions on bilateral aid pending commitment by Fiji to an agreed roadmap for return to democratic governance. The programme allocation for 2006/07 was revised to NZ$4 million. Poverty and inequality continue to be major challenges with at least 12% of the population living in informal settlements. Land tenure challenges and expiry of land leases are contributors to the increasing size of these settlements. It is anticipated that new commitments to work with informal settlements, focusing on the poor, will increase the NZAID's country allocation to NZ$6 million in 2007/08.

Priorities for Fiji include rebuilding the economy, land tenure, and development of alternative agricultural crops to replace loss of export earnings from the sugar industry. The 2005-2010 NZAID/Fiji programme strategy is focused on assisting Fiji achieve international development targets. The strategy's three key pillars are: reducing hardship suffered by those living in informal/squatter settlements; governance and capacity building; reducing vulnerability to poverty. Many of the activities under the governance pillar have been suspended or realigned to work with NGO and civil society based organizations. NZ has moved towards strategic programme funding for NGO partners. Working closely with AusAID core funding is provided to NGO's who have a strategic plan (with goals common to the NZ strategy focus) and appropriate administrative and financial systems in place.

New Zealand is also providing assistance through the Government Agency Contestable Fund (GAF) for a project on sustainable land uses in the sugar cane belt. The objective is

to provide information and options on which sustainable farming systems can be developed and develop as a pilot study, using the Drasa sector, an operational GIS for the Fiji Sugar Corporation. The project is being executed by Landcare Research NZ Ltd. Prior to December 2006 support had been planned for the Fiji Land Information System (FLIS) project which was put on hold. However, this will now shortly be reinstated.

NZAID's 2007/08 estimated assistance to Fiji is NZ$6 million (US$ M)

Taiwan (ROC) maintains a Trade Mission in Fiji and has a technical demonstration farm for rice and vegetable production located in the Sigatoka valley. They provide farm inputs and training for farmers and also provide overseas training opportunities for Fiji ministry staff in Taiwan. Recently the project has been reduced in scale.

Multilateral Partners:

Asian Development Bank (ADB). The COUNTRY STRATEGY PROGRAMME UPDATE (CSPU 2006-2008) supported the SDP's objectives to: generate private sector-led growth through sound macroeconomic policies, infrastructure development, and alternative livelihoods; deliver affordable basic social services through support for water and sanitation services, and improvements in local governance; and establish effective development institutions through a sequenced and interlinked package of technical assistance (TA).

Two key project the Alternative Livelihoods Development Project[44] (US$ 25 million ALP loan) and the Strengthening Commercial Agriculture Development Project (ADB- Japan Special Fund US$600,000 TA and related ALP loan), have been cancelled in 2007 at the interim Government's request.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under a CSP 2008? – 2013 which has not been finalized and signed due to political circumstances. The sector being considered for support is water and the possibility of delivering under budget support modality was under consideration prior to December 2006. Development focus for the 9th EDF was education.

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[44] Alternative Livelihoods Project (ALP). This project was designed to assist the transition process relating to the sugar. It was is a six-year project (2006 – 2012) amounting to F$97 million (of which around 25 per cent was a loan from the Asian Development Bank (on quasi-commercial terms, while the other 75 per cent was to be provided by the Fijian government, the Fiji Development Bank and beneficiaries). It consisted of four components of agricultural diversification, off-farm livelihoods, rural financial services, and project coordination. The main aim of the Project was to increase sustainable on- and off-farm livelihoods to at least replace those lost during the course of sugar industry restructuring and to reduce rural poverty. To this end the Project aimed to (i) maintain a healthy agriculture sector with viable alternatives to sugarcane farming, (ii) generate sustainable off-farm work and self-employment opportunities for farmers exiting sugarcane production and for other rural poor, (iii) provide access to savings and credit services in rural communities to facilitate livelihood activities and improve the quality of live, and (iv) provide critical farm access infrastructure for rural communities.

Fiji is one of the 18 ACP countries signatories to the Sugar Protocol that benefit from preferential trade arrangements for sugar exports in the EU market. The EU recognizes that the foreseen reform of the EU sugar regime may lead to significant adjustment needs and is ready to provide development assistance along the lines tentatively laid out in its " Action Plan for Accompanying Measures for Sugar Protocol Countries Affected by the Reform of the EU Sugar regime" In response to the principles laid down in this action plan in April 2006 the Government of Fiji prepared a draft National Adaptation Strategy (NAS), setting out its priorities for support under three defined areas:

1. Strengthening the competitiveness of the sugar cane sector;
2. Promoting economic diversification so as to generate alternative livelihoods for those exiting the sugar cane sector;
3. Social mitigation measures

EU have subsequently funded studies to build on the outline proposals set out in the draft NAS and developed them into a more detailed series of proposed interventions to be supported. While it is recognized that the NAS, as conceived, has a potentially much wider scope than that which may be financed under the EC's accompanying measures grant funding, the primary focus of the studies is to identify activities that could be supported under the latter and develop proposals for funding allocations. A four-year multi-annual implementation programme has been prepared with overall budget of €60 million.

UN Agencies: UNDP, UNICEF, WHO have representational posts and country programme activities in Fiji, other UN agencies also carry out programme activities in Fiji. FAO support to Fiji's national programme in 2008 includes assistance for the preparation of the Agriculture Census, a feasibility study for the viability of a wholenut processing centre, and analysis and improvement of the Ministry of Agriculture and Primary Industries organizational structure. A TCP project for empowering vulnerable groups through training on village level food processing is under preparation. WHO are providing technical assistance to strengthen policy action plans, food safety legislation and standards and enforcement. They are also assisting in establishing a programme of food safety emergency response with linkages to the International Food Safety Authorities Network (INFOSAN)

World Bank: The framework for assistance is the Pacific Regional Strategy 2006-2009 (which is currently under review/revision). The programme combines lending, technical assistance and analytical work. Focus for Melanesian countries will include agriculture and rural livelihoods. Rural livelihoods are a potential area for WB engagement in Fiji.

NGOs

Oxfam Australia works with two local partner organisations in Fiji on a range of issues, from tackling the spread of HIV and AIDS to addressing the social and environmental costs of mining development and land leasing agreements. They are funding research into the implications of trade agreements for people's livelihoods and a series of workshops for civil society groups in Fiji and other island countries.

Conservation International (information still to be obtained**)**

Multilateral Development Facilities

Global Environment Facility: Fiji has one? national project being implemented under GEF co-financing and participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS). The priority areas for inclusion are: Terrestrial/forestry protected area management; Adaptation to climate change; Regional renewable energy; Integrated sustainable water resource and wastewater management; and support to POPs monitoring.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Feasibility study on the viability of a wholenut processing centre in Fiji TA	FAO	CIDA	Revitalise Coconut Industry	2008	32,441
Analysis and Improvement of the Ministry of Agriculture and Primary Industries TA	FAO	MAPI	Analysis and strengthening of the organizational structure of the ministry	2008	85,732
Assistance for preparation of 2008 Agricultural Census TA	FAO		Assistance for preparation of 2008 Agricultural Census	2008	28,425
Empowering Vulnerable Groups through Training on Village Level Food Processing TCP Project	FAO	MAPI	Enhance sustainable livelihoods for women in rural areas	2008 pipeline	
Policy Options for Improving the Value of Land Use in Smallholder Fijian Agriculture Project	ACIAR	Deakin University, MAPI, SPC	Collection and analysis of reliable information on rural incomes, agriculture and fisheries production from smallholder and subsistence sectors and market information on food price changes and effects on producers and consumers to inform policy	01/2007-06/2008	679,098
Taro Beetle Management in PNG and Fiji	ACIAR	SPC	This project builds on work supported over a number of years by the European Union (through the Secretariat of the Pacific Community). The 4-year Taro Beetle Management program commenced on 1 January 2002, as a component of the SPC Pest Management in the Pacific (PMP) program. PMP is one of the two major projects of SPC-Plant Protection Service funded jointly by Australia (AUSAID and ACIAR) and New Zealand (NZAID).	2002-2008	802,604

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Biological Control of "Mile-a-Minute" in PNG and Fiji Project	ACIAR	QDPI, SPC, MAPI & PNG NARI.	Biological control, established through the identification and release of natural weed predators will be evaluated, based on known agents trialled or in use elsewhere.	2006-2008	802,624
Freshwater Prawn Aquaculture: Improving culture Stock Quality and Nutrition in Fiji	ACIAR	Queensland University of Technology, SPC, USP, MFF	To compare the relative productivity of the prawn stock currently farmed in Fiji against selected high-performing stocks available in Asia and also to assist in development of low-cost, nutritionally adequate feeds, based on local ingredients formulated specifically for freshwater prawns.	2007-2010	544,336
Improving Value and Marketability of Coconut Wood	ACIAR	QDPI&F, SPC, Coconut Industry Development Authority, MFF	To develop appropriate processes and provide the technical information that will underpin the manufacture and broad acceptance of coconut wood in the international high value flooring market	2007-2010	489,319
Improving Farming Systems for Managing Soil-borne Pathogens of Ginger in Fiji and Australia Project	ACIAR	QDPI&F, Biological Crop Protection Australia, Buderim Ginger Ltd. Australia, SPC, MAPI	Evidence suggests that increasing the microbial diversity found in root zones of plants can ameliorate soil-borne pathogen damage. The project will use this knowledge to test and develop recommendations for appropriate management strategies to control diseases in both countries.	2006-2009	A$617,974
Integrated Pest Management in a Sustainable Production System for Brassica Crops in Fiji and Samoa	ACIAR	Queensland Univ., QDPI&F, SPC, MAPI, Samoa MAF	Research will develop an increased knowledge of the diamond back moth to develop the appropriate IPM packages for each country.	2005-2010	560,060
Evaluation of the Impact of Dasheen Mosaic Virus on and Other Viruses on Taro Yield Project	ACIAR	SPC, MAPI, USP	This study of a taro production system will determine the yield gains from using virus-free planting material, and will also undertake a cost-benefit analysis on the economic benefits of using virus-free planting material. It will particularly focus on Dasheen mosaic virus (DsMV) that commonly affects taro throughout the Pacific region	2007-2010	140,750

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget
MOU with Biosecurity New Zealand	NZ	Fiji Quarantine Services	TA strengthening?		

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Support to water Sector	EU		To be determined	Pipeline 10th EDF	
TA Food Safety/Standards Nutrition	WHO		To strengthen policy action plans, food safety legislation and standards and enforcement. Also to support for microbiological risk assessment and total diet studies	2008-2009	

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Land Rehabilitation Project	Govt. Venezuala		?		
Sustainable Land Uses in the Sugar Cane Belt Project	NZ GAF	Lancare Research NZ Ltd. LRPD of MAPI	Provide the information and options on which sustainable farming systems and increased agricultural productivity in the sugar cane belt can be developed through sound land use planning and assessment of natural resources and socio-economic data. Also, to develop a model as a pilot study, the outcomes from which can be applied across the sugar cane production areas, a sustainable GIS system to improve quality and efficiency of sugar production, planning and management decisions at FSC.	2006-2008	?

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD

Acronyms

National agencies

LRPD	Land Resources and Planning Division
MAPI	Ministry of Agriculture and Primary Industries
MFF	Ministry of Forestry and Fisheries
CIDA	Coconut Industry Development Agency

Fiji Proposed Projects for the FSSLP

	COMPONENT 1	Estimated Cost US $
1	Rice Revitalisation Programme	100,000
2	Potential Indigenous Fruits and Vegetables	200,000
3	Non-Wood Forest Products	200,000
4	Reforestation Of Nadi Water Catchment	111,390
5	Smallholder Dairy & Beef Development	200,000
6	Pearl Oyster Farming Development	200,000
	Sub-total	***1,011,390***
	COMPONENT III	
1	BQA Papaya Development	100,000
2	Irrigation Infrastructure For Vegetables	875,400
3	Upgrading Access Roads For Smallholder Farmers	1,200,000
4	Cakaudrove Land Drainage Project	600,000
5	Watershed Management Project	00,000
	Sub-total	***3,275,400***
	TOTAL	**4,286,790**

Country Overview:

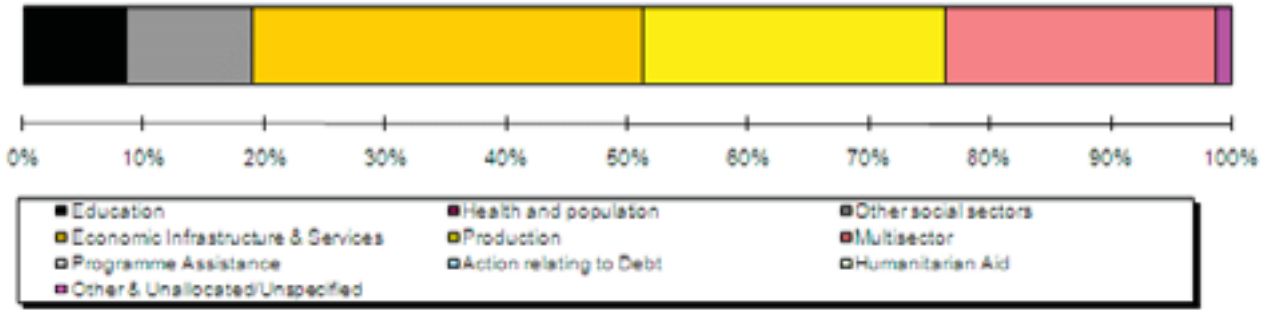
Kiribati

Receipts	2004	2005	2006
Net ODA (USD million)	17	28	- 45
Bilateral share (gross ODA)	60%	76%	113%
Net ODA / GNI	14.4%	24.5%	-37.6%
Net Private flows (USD million)	0.3	0.8	- 1.3

For reference	2004	2005	2006
Population (million)	0.10	0.10	0.10
GNI per capita (Atlas USD)	1 070	1 170	1 230

Top Ten Donors of gross ODA (2005-06 average)	(USD m)
1 Japan	10.8
2 EC	4.7
3 New Zealand	1.9
4 AsDF	0.9
5 United States	0.8
6 UNTA	0.5
7 GEF	0.2
8 Korea	0.1
9 Germany	0.0
10 United Kingdom	0.0

Bilateral ODA by Sector (2005-06)



Sources: OECD, World Bank.

National Development Framework: National Development Strategy 2004-2007 (NDS) has set the framework for economic and social development in Kiribati. The six main policy priorities are: economic growth; equitable distribution with outer islands; public sector performance; support to social sectors and local governments; and sustainable use of physical and natural resources. A new NDS 2008-2011 is scheduled and priorities of economic growth, protection of environment and sustainable use of natural resources will remain as important priorities.

Kiribati is most vulnerable to the effects of climate change, climate variability, and sea-level rise. The country is highly vulnerable to extreme events, especially coastal flooding from storm surges and droughts. Kiribati prepared a National Adaptation Programme of Action on Climate Change (2001) and implementation is being supported by World Bank (GEF) and other donors.

Development Partners Active in Country:

Bilateral Partners:

Australia and New Zealand are working towards combining their development assistance programmes and are preparing a Joint Country Strategy Paper (JSP). Focus of development activities have been mainly in the social sectors, education and health and in institutional strengthening of the public sector, particularly customs, SOEs, and the Development Bank. They also support the Kiribati Adaptation Programme for Climate Change led by the World Bank. Australia is providing US$2.9 million and New Zealand US$0.91 million to the Kiribati Adaptation Project-Phase 11 (KAP 11).

The **Australia Centre for International Agriculture Research** (ACIAR) can also provide COUNTRY PROGRAMME ASSISTANCE TO KIRIBATI in the agriculture, forestry and fisheries sector, however there is currently no active or pipeline projects. Limited opportunities for recruitment of skilled human resources in Kiribati constrain its collaboration through ACIAR.

Japan. Provides support for infrastructure with an emphasis on fisheries. They have provided support for Betio Port maintenance, a Fisheries Center in Kiritimati Island and Ice Machine for Onotoa Island. They have also provided support to the KAP Phase 1.

Taiwan (ROC). Provides significant bilateral support to Kiribati focused by government requests for assistance. The programme includes support for infrastructure, community development and agriculture. A Taiwan Technical Mission is present in Tarawa which has provided support to horticulture (including floriculture), fruit processing, livestock and aquaculture (milkfish propagation by providing fingerlings and also engage in formula research and develop a cheaper supplemental feed for aquaculture use and high value saltwater fish rearing techniques)

Aid for 2005 was estimated at US$14.5 million and for 2006 US$9.1 million.

Multilateral Partners:

Asian Development Bank (ADB). The COUNTRY STRATEGY PROGRAMME UPDATE (CSPU 2006-2007) is the latest strategic and operational framework document for ADB's activities in Kiribati. ADB will support the Government's efforts to balance growth more evenly throughout the country. The aim is to relieve the current stresses in the capital atoll, while supporting improved social services. The focus is on direct investments in key growth centers in Kiribati. Improving the economic environment in the outer islands, particularly Kiritimati; and strengthening access to health services throughout the country are priorities. For the medium term, the strategy will continue to focus on the development of Kiritimati Island and water resources throughout the country. The Government, ADB, and World Bank are discussing ways to streamline implementation processes with a view to moving toward harmonization. Climate change adaptation initiatives, which World Bank and AusAID support directly, will be mainstreamed into the ADB Kiritimati Island Growth Center-sector project.

The TA programme for 2006–2007 focused on addressing: population growth in South Tarawa, and inequitable distribution of services. Follow up on water supply and sanitation activities as well as the Water Resources Management Strategy Such activities will be continued under a forthcoming loan to Kiritimati Island.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus for the 9th EDF is improvement of the outer islands health service and programme is now under implementation. EDF 10 allocations are: A-envelope €12.7 million and B-envelope €1.1 million. Eighty five percent of envelope A will be focused on development of renewable energy and the water sector. The balance will be used for a technical cooperation facility. A Fisheries Partnership Agreement with EU entered into force in 2003 and has been renewed in 2006. The agreement will provide support for fisheries sector policy and sustainable management of fisheries resources.

World Bank: The framework for assistance is the Pacific Regional Strategy 2006-2009. The Bank's main focus in Kiribati is on helping the country to prepare for the effects of climate change and rising sea levels. The Government of Kiribati ratified the UN Framework Convention on Climate Change in 1995, and continued to prepare an initial National Communication (1999) and National Implementation Strategy (2003), with support from the UNDP-GEF funded Pacific Island Climate Change Assistance Program. The Kiribati Adaptation Program (KAP) started in 2003 under World Bank/Japanese assistance, and has been merged with the UNDP-GEF-supported preparation of a National Adaptation Programme of Action (NAPA). The 2004-2007 National Development Strategies identified climate change as a key risk to economic development, and provided the basis for the ongoing mainstreaming of adaptation in all relevant

Ministry Operational Plans. The current project, KAP-II, builds on the merged activities of KAP-I and the preparation of the NAPA by continuing the process of consultation-based mainstreaming of adaptation, including economic planning, legislative and regulatory issues; and by building experience in implementation of adaptation through select pilot activities. Lessons learned from KAP-II will be used to plan the long-term national response to climate change envisaged for 2008/9 onwards.

KAP is unique in the Pacific in that it seeks to integrate climate change adaptation into national economic planning, rather than funding a separate set of adaptation activities. A third phase (KAP III), anticipated to run from 2009-2015, will see a scaling up of investment. pending project review outcomes.

UN Agencies: UNICEF and WHO maintain permanent presence in Kiribati and FAO, ILO, UNDP, UNEP, UNESCO, UNFPA have country programme activities. FAO is providing support through the RPFS for a project on home gardening. WHO is providing technical assistance for drafting food safety regulations.

NGOs

FSPI has initiated activities in Kiribati under the MORDI programme (see regional overview for details).

Multilateral Development Facilities

Global Environment Facility: Kiribati has 2 projects approved between 2004-2008 under GEF co-financing and participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with priority for proposals in: Invasive species management: Integrated island biodiversity and community-based conservation; Regional renewable energy; Integrated sustainable water resource and wastewater management; Phoenix Island protected area; and support for POPs monitoring.

INTEGRATED FRAMEWORK FOR TRADE RELATED ASSISTANCE TO LEAST DEVELOPED COUNTRIES Kiribati will have a field mission for **a** technical review in May/June 2008. A Diagnostic Trade Integration Study (DTIS) should then be planned. UNDP is coordinating this assistance.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Food Processing TA	FAO TCPF	MELAD	Assistance in product development	2008 (5 weeks)	25,543
Study Fisheries TA	FAO TCPF	MFMRD	Elaboration of National Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (NPOA-IUU)	2008	30,539
Home Gardens and Root Crop Development	Italy (RPFS)	MELAD	The project aims at increasing local food production through the establishment of nurseries to supply planting materials and training of farmers	2004-2008	111,670
Technical Mission	ROC		Horticulture, livestock and aquaculture support		
Atoll Agriculture Centre of Excellency	IFAD	MELAD, SPC	To undertake appropriate research on atoll agriculture	2008-2010	200,000

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Water Resources and Sanitation TA	ADB			2007	400,000
Technical Assistance Food Safety	WHO		To assist in the drafting of food safety regulations	2008 ongoing	

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
?					

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Kiribati Adaptation Pilot Implementation Phase 11 (KAP-11)	GEF AusAID NZAID	WB/OOP and several line Ministries	To develop and demonstrate the systematic diagnosis of climate-related problems and the design of cost-effective adaptation measures, while continuing the integration of climate risk awareness and responsiveness into economic and operational planning	2006-2008	1,899,000 2,900.000 1,020,000

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget
Field Mission for Technical review	IF	UNDP	Kiribati applied in July 2007 to become an IF beneficiary country. A Technical Review will now implement to assess the request.	May/June 2008	

Acronyms

National agencies

OOP	Office of the President
MELAD	Ministry of Environment, Lands and Agricultural Development
MFMRD	Ministry of Fisheries and Marine Resources Development

Kiribati Proposed Projects for the FSSLP

	COMPONENT 1	**Estimated Cost US $**
1	Integrated Atoll farming system and Capacity Building	300,000
2	Integrated Coconut replanting, Rehabilitation, and Development	00,000
3	Integrated Livestock Development	250,000
	Sub-total	***850,000***
	COMPONENT III	
1	Food Processing, Value Adding and Supporting Infrastructure	650,000
2	Community Fishing Centres and Aquaculture Development	450,000
3	Support To Central Pacific Producers	550,000
	Sub-total	***1,650,000***
	TOTAL	**2,500,000**

Country Overview:

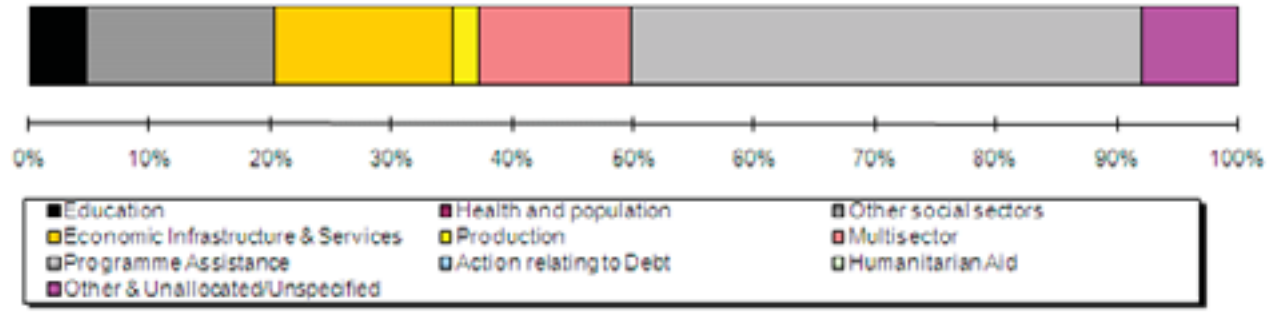
Nauru

Receipts	2004	2005	2006
Net ODA (USD million)	14	9	17
Bilateral share (gross ODA)	99%	99%	99%
Net ODA / GNI	..	..	..
Net Private flows (USD million)	223	2	0

For reference	2004	2005	2006
Population (million)	0.01	0.01	0.01
GNI per capita (Atlas USD)	..	..	..

Top Ten Donors of gross ODA (2005-06 average)	(USD m)
1 Australia	11.92
2 Japan	0.86
3 New Zealand	0.28
4 UNTA	0.11
5 Korea	0.07
6 Greece	0.03
7 EC	0.01

Bilateral ODA by Sector (2005-06)



Sources: OECD, World Bank.

National Development Framework: the National Sustainable Development Strategy NSDS) 2005-2025 is the long term development plan, but it also identifies short-term priorities. The NSDS list five broad goals with prioritized components as:

1. **Stable, trustworthy, fiscally responsible government**
   - Transparent and accountable governance practices
   - Conducive legislative framework
   - Efficient and productive public service
   - Enabling and cooperative international relations
   - Efficient and effective law and order system
   - Increased community role in governance
2. **Provision of enhanced social, infrastructure and utilities services**
   - Broadened educational system
   - Alternative (including renewable) energy sources
   - Improved access to water
   - Preventative health service
   - Improved sports and recreation facilities
   - Viable social welfare systems
   - Well maintained infrastructure
3. **Development of an economy based on multiple sources of revenue**
   - Phosphate mining
   - Fisheries resource management
   - A developed SME sector
   - Efficient use of resources – people and natural
   - Increased job opportunities locally and regionally
   - National trust fund
4. **Rehabilitation of mined out lands for livelihood sustainability**
   - Land for agriculture development
   - Land for conservation
   - Land for water catchment
   - Land for residential development
   - Land for commerce & industry development
5. **Development of domestic food production**
   - Establishment of agricultural production
   - Enhance aquaculture farming
   - Sustained use of inshore and reef marine resources
   - Promotion of pelagic fishery, in particular tuna fishing

Included amongst the NSDS priorities for development are: Fully rehabilitate topside with a greater area of rehabilitated land utilised for livelihood sustainability including environment conservation and protection; Increase level of domestic agricultural production initiatives such as kitchen gardens, fish farms, milkfish and yabbie ponds to reduce dependence on imported food and to address food security; Provision of enhanced utilities and transport services including the increased use of renewable energy, power (non-diesel generation i.e. OTEC and solar), water, waste management, roads, sea and air services; Develop the human resources in technical, organisational and financial

management capacities; Maintain good bilateral, region-wide and international relations and comply with international standards.

Amongst the short-term priorities are: Institute a holistic (whole of government, whole of community) approach to Public Health and healthy lifestyles; and Improve food security through increased local food production.

Fishing licenses issued to China, Japan, South Korea, Taiwan and the United States of America are now an important source of revenue for Nauru. While pelagic fish abound in Nauruan waters, Nauru has been unable to establish a fishing industry of its own.

The Aid Management Unit (AMU) under the Development and Policy Division of the Ministry of Foreign Affairs is the focal point for all development assistance.

Development Partners Active in Country: In 2004 at the Pacific Islands Forum meeting, Nauru requested regional assistance to support its efforts in fighting the economic and financial crisis it was facing. In response the Forum Secretariat put together a package which saw the deployment of a Magistrate, Legal officer, and Development Planner to assist Nauru's reforms. The Pacific Regional Assistance to Nauru (PRAN) has been supported by several donors including Australia, New Zealand and Japan. The Regional CROP agencies through their work programmes and through regional projects which they implement are also providing assistance to Nauru.

Bilateral Partners:

Australia is the key trade, investment and development assistance partner. Australia signed latest Memorandum of Understanding for development assistance with Nauru in July 2008, it is hoped that a long-term Pacific Partnership for Development may be signed by the time the MOU expires in June 2009. The priorities for Australian development assistance to Nauru are: health, education, economic and financial management and capacity building of their public sector, including the police force.

In 2008-09, the Australian Government will provide up to $29 million in development assistance to Nauru

Japan. Assistance Policy is determined at the Japan-Pacific Island Forum Summit Meetings (PALM) last held in Okinawa in May 2006. The Embassy of Japan in Fiji is responsible for bilateral official development assistance in Nauru. Japan has no large grant aid projects in Nauru but through the small grants scheme provides assistance mainly to water supply projects. They also provide assistance with bulk fuel purchase. Japan provided funds through the PIF to support the position of Development Planner (Adviser) in the PRAN.

New Zealand: Supports development of basic education (curriculum development and teacher training) and funded under PRAN Pacific lawyers for the justice sector.

NZAID's 2007/08 assistance to Nauru totals NZ$1.9 million

Taiwan (ROC). Provide assistance for horticulture and aquaculture (milk fish project) and some infrastructures?

Multilateral Partners:

Asian Development Bank (ADB) strategy focuses on helping the Government implement some of the priorities announced in the NSDS, most especially in helping restructure and improve the operations of essential power and water utilities that are the responsibility of the Nauru Phosphate Commission. In 2005, ADB and the Government of Australia co-financed technical assistance to the Government and people of Nauru to help the country review future development options and formulate the NSDS. This was a successful exercise that helped the country agree on its priority short- and longer-term development objectives.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus is renewable energy for both the 9th and 10th EDF. €2.3 million is allocated under the 10th EDF and the support will be implemented as part of the multi-country programme to small island countries.

UN Agencies FAO is providing TCP assistance to small scale atoll farmers in the cultivation of disease-free bananas for food security and through the RPFS for a home gardening project. WHO is providing technical assistance for drafting of food safety legislation and provision of supplies to enable more effective enforcement.

Multilateral Development Facilities

Global Environment Facility: Nauru has 2 projects being implemented under GEF co-financing and participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with priority areas for proposals for inclusion are: Integrated island biodiversity and community-based conservation; Integrated sustainable water resource and wastewater management (IWRM); Building resilience to climate change, and energy efficiency programmes (extension of PIGREP).

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Cultivation of Disease-Free Bananas Project	FAO TCP		Assistance to small scale atoll farmers in the cultivation of disease-free bananas for food security.	2007-2008	192,000
Home Gardening	Italy/FAO RPFS		Assistance to encourage home gardening including provision of equipment and water tanks	2005-2008	136,574
	Taiwan (ROC)		Support for horticulture and aquaculture (milk fish)		

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
TA	WHO		To improve environmental health services including waste management, water supply, sanitation, vector control and food safety		
MoU	AusAID		Essential infrastructure and contingency support in water sector		
Technical Assistance Food Safety	WHO		To draft food safety legislation and provision of supplies to enable more effective enforcement	2008 ongoing	

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Enabling Activity for Stockholm Convention on POPs National Implementation Plan	GEF	UNEP	TA for preparing plan and workshops.	ongoing	221,000
National Biodiversity Conservation Strategy and Action Plan and report to COB	GEF	UNDP		ongoing	138,000

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
National Capacity needs Self Assessment for Global Environmental management	GEF	UNDP		pipeline	225,000

Climate Change - responses and adaptation; Disaster preparedness

Trade

Acronyms
National agencies

Nauru Proposed Projects for the FSSLP

	COMPONENT I	Estimated Cost US $
1	Health, Nutrition and Capacity Building	300,000
2	Poultry and Piggery Development	380,000
	Sub-total	***680,000***
	COMPONENT III	
1	Infrastructure support for Land Rehabilitation and Soil Improvement	400,000
2	Water Catchments and Kitchen Gardens expansion	1,000,000
3	Infrastructural Support to Fisheries Development	400,000
4	Integrated Pest Management	100,000
	Sub-total	***1,900,000***
	TOTAL	**2,580,000**

Country Overview:

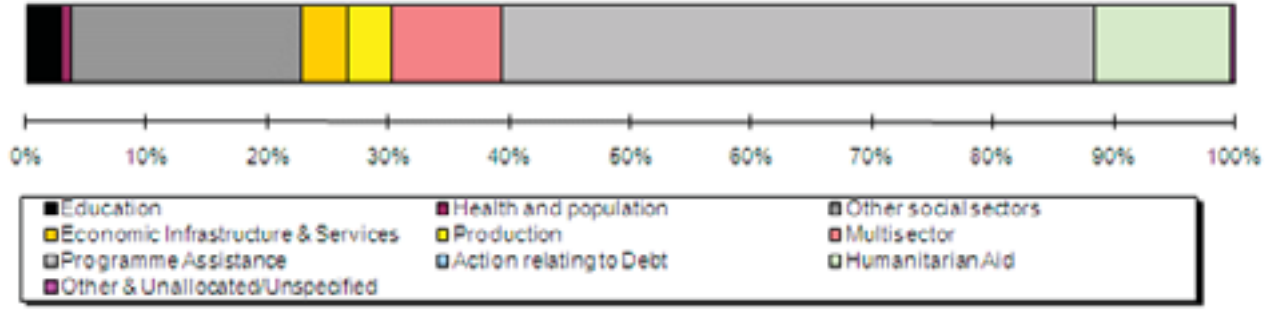
Niue

Receipts	2004	2005	2006
Net ODA (USD million)	14	21	9
Bilateral share (gross ODA)	99%	95%	96%
Net ODA / GNI	..	..	..
Net Private flows (USD million)	- 1	- 1	0

For reference	2004	2005	2006
Population (million)	0.002	0.002	0.002
GNI per capita (Atlas USD)	..	..	..

Top Ten Donors of gross ODA (2005-06 average)	(USD m)
1 New Zealand	13.2
2 Australia	1.0
3 EC	0.4
4 UNTA	0.3
5 Canada	0.1
6 Japan	0.1

Bilateral ODA by Sector (2005-06)



Sources: OECD, World Bank.

National Development Framework: the Niue Integrated Strategic Plan (2003-2008) "*Niue Ke Monuina – A Prosperous Niue*" provides the development framework and includes five strategic objectives:

1. **Financial Stability:** Ensure there are sufficient financial resources to manage and develop the country in a responsible and sustainable manner.
2. **Governance:** Provide governance that is stable, transparent and accountable.
3. **Economic Development:** Maximise benefits from Niue's resources in a sustainable manner.
4. **Social:** Enjoying a lifestyle of a thriving, educated and healthy community that has access to a wide range of quality social infrastructure, services and development opportunities.
5. **Environment:** Sustainable management of Niue's natural resources for future generations.

Strategies identified in Niue's NISP for Agriculture are to facilitate agricultural development of products with proven commercial merits, particularly vanilla, through research and product and market development. And for Fisheries are to increase the returns from the fisheries resource in a sustainable and responsible manner.

Development Partners Active in Country: Niue is a self-governing country in "free association" with New Zealand. As such it is highly dependent on New Zealand aid.

Niue International Trust Fund: On 25 October 2006, Niue, New Zealand and Australia became signatories to the Niue International Trust Fund (NITF) Deed at the Pacific Islands Forum in Suva, Fiji. Signature of the Deed set in place the formal legal arrangements required for the long-term operation of the Niue Trust Fund. The aim of the NITF is to provide a long-term, dependable revenue stream for the Government of Niue, to encourage self-reliance and decrease dependency on official development assistance. The value of the trust fund is around NZ$23 million. The GoN have decided to leave both capital and interest untouched until at least 2009.

Bilateral Partners:

Australia currently provides bilateral assistance of about A$840,000 annually to support Niue's efforts to promote economic development and growth. Since 2004, Australia has contributed approximately $5.5 million to the Trust Fund, which was held on trust in the New Zealand-managed Niue Trust Fund Account until the full implementation of the NITF. Australia participates in the Trust Fund on an ongoing basis through its annual contributions and membership on the Trust Fund Board of Directors. Australia intends to gradually transfer its bilateral aid allocation to Trust Fund contributions in the future. Until such time, Australia will continue to support some bilateral aid activities in education scholarships and human resource development.

New Zealand: New Zealand's support to Niue targets the following key areas: Good governance and building the capacity of the public sector; strengthening the emerging private sector, particularly in tourism; improving much of the island's core infrastructure. New Zealand's main form of assistance to Niue is through direct budget support to the Niue Government. This makes up roughly $8.5 million per annum, which allows the government to meet its key objectives and is roughly half of Niue's total yearly budget.

A programme of Strengthened Co-operation ($10 million over five years) is helping Niue develop closer and more valuable partnerships with NZ Government departments. This is an important step in building the capacity of the Niue public sector so they can fulfill the range of services required of them. To assist Niue improve its infrastructure, the Halavaka ke he Monuina Arrangement has been established. This $20 million arrangement supports Niue in developing its priorities so that key infrastructure areas are targeted.
Over the past two years, NZAID has assisted Niue to commence work on re-building their power station, constructing a new Government Administration building, building a new hospital, upgrading the quarry and purchasing essential equipment. NZAID is also working with the Niue Government to improve its asset maintenance functions.

Niue views tourism, fisheries and horticulture as providing the most significant prospects for economic development. A programme and sequencing of projects is being prepared and discussed for implementation.

Multilateral Partners:

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus for the 9th EDF was renewable energy (wind and solar). Allocation for the 10th EDF (envelope A) is €3 million of which €2.55 million will be used to support further the renewable energy sector. Outside the focal sector an indicative amount of €450,000 will go towards support for a village economic development project implemented by non-state actors. Implementation will be through village councils and projects supporting agriculture/fisheries development could be included.

UN Agencies FAO, UNDP, and UNESCO have country programme activities in Niue. FAO through the RPFS is supporting projects for poultry production in permaculture farming and small holder piggery development. A TCP project is also ongoing developing appropriate irrigation strategy for the intensification of import substitution agriculture and technical assistance for development of Niue National Forest legislation. UNDP have assisted mainstreaming disaster risk management into national development plans through institutional capacity building activities and policy review. This will provide an enabling environment for Niue to address disaster risk management in an integrated and holistic manner. They are also implementing GEF environment support (the NCSA and POPs support).

Multilateral Development Facilities

Global Environment Facility: Niue one national projects being implemented under GEF co-financing and participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with priority areas for proposals: Invasive species management; Building resilience to climate change; Accelerating to use of renewable energy; Integrated water resource and wastewater management; POPs monitoring and capacity building activities (cross-cutting).

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Small Holder Piggery Development Project	Italy/FAO, RPFS[45]	MAFF	Improved income for small holder pig farmers	2005-2008	76,583
Poultry Production in Permaculture Farming	Italy/FAO RPFS	MAFF	The project provides training and upskilling poultry farmers in permaculture farming.	2005-2008	35,124
Irrigation Strategy Project	FAO TCP	MAFF	To develop an appropriate irrigation scheduling strategy for the intensification of import substitution agriculture		159,000
Capacity Building for Forest Legislation TA	FAO TCP	MAFF	Support in development of Niue National Forest Legislation	2007-2008	68,733

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Enabling Activity for the Stockholm Convention on POPs	GEF	UNDP	Assistance to prepare the National Implementation Plan		221,000

[45] Donor Italian Trust Fund

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget

Acronyms

National agencies

MAFF Ministry of Agriculture, Forestry and Fisheries

Niue Proposed Projects for the FSSLP

	COMPONENT 1	Estimated Cost US $
1	Pigs and poultry development (now include projects – piggery development, poultry development, and small multiple purpose feedmill)	330,000
2	Farming system development, include food and tree crops, capacity building, and agricultural education in schools	250,000
	Sub-total	***580,000***
	COMPONENT III	
1	Value Adding & HTFA Terminal Plant (now include projects – value adding of agricultural products and High temperature forced air treatment plant)	500,000
2	Infrastructure and Capacity Development for sustainable fisheries (now include projects – improved fishing and fish aggregating devices)	350,000
3	Agricultural Infrastructure development for research and access roads (now include projects – upgrading government agricultural research station and agriculture and fisheries access roads)	800,000
4	Cranes and Winches for 2 boat ramps and the main wharf	250,000
	Sub-total	***1,900,000***
	TOTAL	**2,480,000**

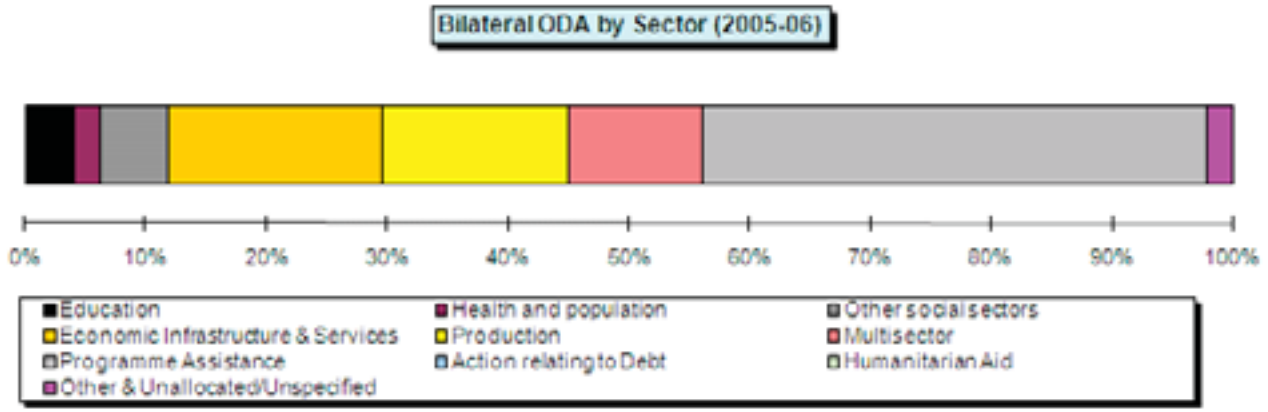
Country Overview:

Palau

Receipts	2004	2005	2006
Net ODA (USD million)	20	23	37
Bilateral share (gross ODA)	100%	100%	100%
Net ODA / GNI	14.0%	15.8%	23.5%
Net Private flows (USD million)	7	1	1

For reference	2004	2005	2006
Population (million)	0.02	0.02	0.02
GNI per capita (Atlas USD)	7 120	7 670	7 990

Top Ten Donors of gross ODA (2005-06 average)	(USD m)
1 United States	20.05
2 Japan	9.34
3 Australia	0.70
4 Spain	0.15
5 UNTA	0.09
6 Korea	0.04
7 New Zealand	0.02
8 EC	0.01
9 Greece	0.01



Sources: OECD, World Bank.

National Development Framework: In 2000, the Japan International Cooperation Agency (JICA) proposed a development strategy entitled Study for Promotion of Economic Development in the Republic of Palau. This study laid the groundwork for the National Master Development Plan, which is the Government's overall strategy document. Implementation of this plan will be through a management action plan prepared in April 2001. This stressed the importance of building economic institutions, developing basic economic infrastructure, strengthening tourism and related industries, and preserving the environment.

The National Master Development Plan established the long-term strategies for economic development of Palau. These include: (i) a substantial shift in economic activity from the public to the private sector for efficient resource use and improved operations and management of infrastructure, (ii) strengthening of government institutions and reducing the relative size of government through rationalization of government activities, and (iii) identification of financing strategies including appropriate taxation arrangements and cost recovery measures.

The Government's vision, goals and macroeconomic framework and related development strategies are set out in the Management Action Plan (MAP 2005-2008) which provides both short-term and longer-term strategic roadmaps for development.

The Government is committed to develop sectors of the economy that have the potential to support sustainable economic growth, such as tourism, fisheries, aquaculture, agriculture financial services and trade. In agriculture and aquaculture the strategy is to support by way of:

- Providing tax breaks, concessionary financing and marketing support
- Expanding educational opportunities
- Improving quarantine capacity
- Developing processing industries with diversified value added products.

In fisheries the strategy is to increase fines and penalties for illegal fishing and to improve multilateral and bilateral fishing agreements.

Development Partners Active in Country:

Bilateral Partners:

Australia Australian development assistance to Palau is estimated to be A$245,000 in 2006-07. Education is a priority of the program which concentrates on scholarships and a small grants scheme supporting community organizations. Australia donated a Pacific Patrol boat to Palau in May 1996 and Australia continues to fund technical support of the patrol boat, estimated to be A$981,000 in 2006-07.

Japan. Assistance Policy is determined at the Japan-Pacific Island Forum Summit Meetings (PALM) last held in Okinawa in May 2006. Japan has an embassy in Palau responsible for a significant cooperation programme which focuses on infrastructure (including upgrading of roads). JICA is providing support for coral reef conservation through the Palau International Coral Reef Center (PICRC) with technical assistance.

Taiwan (ROC) is the second largest development partner after the USA. They maintain a technical mission which is promoting agriculture for self-sufficiency. It is focusing on extending technologies for fruit and vegetable growing both for new and traditional crops. They are also supporting aquaculture (promotion of giant clam farming), and teakwood and other tree planting.
The TTM's objective is to develop and transfer new technologies in agriculture in order to improve rural livelihoods, generally with a focus on commercial agriculture. The TTM Research Station comprises 14 ha of poor quality, acidic (pH 5) clay soils. In 2008 there are 3 professional staff, 1 technical assistant and 17 labourers. The TTM total budget, including staff is approximately $600,000.

United States of America (USA): The Republic of Palau is an independent country in a Compact of Free Association with the United States. Under the compact arrangements, the US Government has agreed to pay approximately US$447 million over the first fifteen years of the fifty-year Compact, i.e. from 1994 to 2009. US$70 million has been set aside in a Trust Fund, which has so far grown to about US$144 million, for use after Compact grants cease in 2009. There are also provisions for major infrastructure projects including the recent construction of a road around Babeldoab, the largest of the Palauan islands. Provision is also made for continuation of some US federal programs. The Bureau of Agriculture (BOA) is supported by 6 USDA funded forestry staff – 2 each in invasive weeds, urban and community forestry and forest resource management. The total budget for these 6 persons is $167,000. There are no additional operational funds provided. The Compact and its subsidiary agreements commit the US to continue to provide, at no cost to Palau, many services including air safety, weather prediction, health services and assistance in the event of natural disasters.

Multilateral Partners:

ADB: COUNTRY STRATEGY PROGRAMME UPDATE 2007-2009 is the framework for ADB assistance. The strategic focus is to strengthen economic and fiscal management, promote policies for private sector development, and facilitate sound infrastructure development and management. ADB's major contribution in Palau over the medium term will be policy advice and technical assistance (TA). ADB will help the Government to enhance the environment for private sector development. Technical assistance will help to formulate and implement policies and procedures that will reduce the costs of and constraints to doing business in Palau. Particular attention will be paid to strengthening the regulatory framework for bank regulation through TA for financial supervision and regulation. ADB has provided technical support for strategic planning in environment, and agriculture, fisheries, aquaculture and tourism sectors.

Japan and Asian Development Bank (ADB) are helping Palau prepare a water sector development plan that will provide secure, reliable and affordable water supply on the island of Babeldaob and in the state of Koror, located in the south of the tightly clustered archipelago. The Japan Special Fund is providing a US$700,000 grant to cover most of the cost of preparing the project, estimated at US$875,000. The balance will be covered

by the government of Palau. ADB will manage the technical assistance. The project will contribute to sustainable management of the national water supply system and improved reliability and security of the water supply in the project area.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus is renewable energy for both the 9th and 10th EDF. Envelope An allocation under the 10th EDF is €2.9 million of which €2.47 million will be devoted to the focal sector implemented under the multi-country approach for small Pacific island countries.

World Bank: The framework for assistance is the Pacific Regional Strategy 2006-2009. The programme in Palau has been limited to technical assistance and analytical work principally in the area of oil and gas and natural resources management. Palau is an IBRD-eligible country. Future engagement will be in the area of targeted policy advice and analytical support in a few areas to leverage donor resources and build local capacity.

UN Agencies: FAO under the RPFS is supporting a project for development of value adding, and also sustainable aquaculture development in through the Micronesian (5 country) TCP project. UNDP is providing support for national sustainable development planning.

NGOs: The Nature Conservancy (TNC) has 2 major programs:

(i) Watershed protection - TNC is working with the relevant States to promote the Babeldaob Watershed Alliance (BWA) because watersheds cross state political boundaries. BWA addresses the institutional issue of watershed management. TNC is funding seedlings production for reforestation through expansion of BOA nurseries ($10,000). The objective is to protect water quality, quantity and stop siltation.

(ii) "The Protected Areas Initiative Program" has two objectives: i) to protect Palau's biodiversity; and (ii) to "help States to manage their natural resources". TNC has identified the critical biological areas (from previous reports); and turned the State plans into meaningful action plans.

Multilateral Development Facilities

Global Environment Facility: Palau has one project being implemented under GEF co-financing and participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with priority areas for proposals in: Sustainable finance systems for island protected area management (Micronesian Challenge); building resilience to climate change (PACC), energy efficiency programmes (SEDREA); integrated sustainable water resource management; solid waste and POPs monitoring.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Development of Value Adding for Improved Food Security Project	FAO, RPFS[46]			2005-2008	92,650
Technical Mission	ROC		To promote agriculture for self-sufficiency, focusing on extending technologies for fruit and vegetable growing both for new and traditional crops and supporting aquaculture (promotion of giant clam farming), and teakwood and other tree planting.		
Palau International Coral Reef Center (PICRC) Technical Assistance.	JICA		Coral reef conservation		

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD

[46] Donor Italian Trust Fund

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Palau National Capacity for Self-Assessment Project	GEF	UNDP	To develop a comprehensive strategy on capacity building to address national and international environmental management issues across three thematic areas climate change, biological diversity, and land degradation. The project also seeks to explore related capacity needs within and across the three thematic areas using a stakeholder consultative approach	2005 -??	225,000
Country environmental analysis (CEA)	ADB		The CEA provides targeted information necessary for informed decision making on environmental constraints, needs, and opportunities, including those that impinge upon poverty partnership agreements, as appropriate. The focus is on adding value to planned and ongoing development initiatives by reducing environmental constraints and exploiting environment related opportunities.	2007	

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Economic Development through Renewable Energy Applications (SEDREA) Project	GEF	UNDP	To assess potential RE resources in Palau in meeting the energy demands in the various energy-consuming sectors of the Palauan economy. It will address the GEF climate change strategic priorities, and would involve activities that would overcome/remove barriers to the development and widespread use RE in Palau. Overall, the project intends to contribute to the reduction of the growth rate of GHG emissions from the diesel-based power generation in Palau	Pipeline	1,000,000

Palau Proposed Projects for the FSSLP

	COMPONENT 1	**Estimated Cost US $**
1	Capacity Building	120,000
2	Integrated Food Security-Gender (Dab)	235,000
3	Livestock Development	300,000
4	Pest Management and Composting	280,000
	Sub-total	***935,000***
	COMPONENT III	
1	Value Added / Food Laboratory Development	145,000
2	Oceanic And Coastal Fisheries Development	165,000
3	Aquaculture Development	350,000
4	Feeder Roads	300,000
	Sub-total	***960,000***
	TOTAL	**1,895,000**

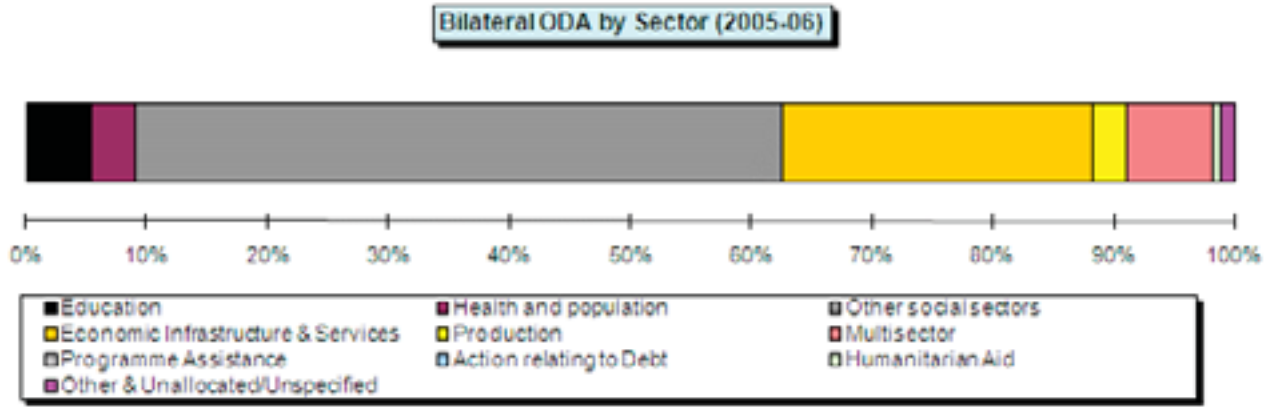
Country Overview:

Papua New Guinea

Receipts	2004	2005	2006
Net ODA (USD million)	268	266	279
Bilateral share (gross ODA)	88%	88%	86%
Net ODA / GNI	7.5%	5.8%	5.5%
Net Private flows (USD million)	- 32	232	187

For reference	2004	2005	2006
Population (million)	5.8	5.9	6.0
GNI per capita (Atlas USD)	590	700	770

Top Ten Donors of gross ODA (2005-06 average)		(USD m)
1	Australia	238
2	EC	18
3	Japan	14
4	New Zealand	12
5	AsDF	11
6	Global Fund (GFATM)	3
7	UNTA	3
8	Arab Countries	2
9	Germany	2
10	UNDP	2



Sources: OECD, World Bank.

National Development Framework: The Medium Term Development Strategy 2005-2010 (MTDS), drawing on an earlier Programme for Recovery and Development (2002), serves as the framework for development efforts. The MTDS was prepared through a consultative process and is widely owned. The MTDS has been endorsed by all the development partners as the guide for programming their operations. Since the MTDS was finalized, ADB, AusAID, EU, World Bank and the UN agencies have developed new operational strategies based on it. The strategic approach is underpinned by the Medium Term Resource Framework and the Strategic plan for Supporting Public Sector Reform, covering 2003-2007. The MTDS objectives will be reflected in the National Poverty Reduction Strategy which is currently under preparation.

The MTDS has three strategic objectives: good governance; export-driven growth; and rural development through poverty reduction, empowerment and human resource development.
The MTDS defines seven key priority areas towards which public spending should increasingly be targeted to achieve these objectives:

- Transport infrastructure rehabilitation and maintenance
- Promotion of income earning opportunities (including agriculture research extension, marketing, the nucleus estate model, revitalizing the Rural Development Bank, micro-credit and skills training, and establishing industrial parks).
- Basic education
- Development-oriented informal education
- Primary healthcare
- HIV/AIDs prevention
- Law and justice.

Whilst the MTDS provides a framework for overall development priorities, the implementation of the strategy is foreseen by aligning sector strategies and provincial/district strategies to the MTDS. A National Agricultural Development Strategy (2002-2012) and a National Agriculture Development Plan 2007-2016 (NADP) to guide activities in this sector, prepared with assistance from FAO, was endorsed by Government in 2007 and has been allocated an annual budget of K10 billion over 10 years. It is estimated that this will fund up to 60% of planned activities and that donor funding will be sought to cover the rest. The Ministry of Planning is taking a stronger role in development partner coordination and has formed a Technical Working Group on Aid Effectiveness. The Papua New Guinea government and key partners have drafted a statement committing to localize the Paris Declaration. The " Joint Commitment of Principles and Actions between the Government and Development Partners" signed in February 2008 (referred to as the *Kavieng Declaration*), sets out a series of shared principles for aid effectiveness in the PNG context, together with monitorable targets and indicators to measure improvements between 2007 and 2012. The financial management sector provides an example of strong donor partnership—AusAID, UNDP, and ADB have been working closely to prepare coordinated programs of further assistance, and may be joined by the European Union and the World Bank.

Development Partners Active in Country:

Bilateral Partners:

Australia. The Government of Australia is by far the largest development partner to PNG. The programme is guided by the PAPUA NEW GUINEA - AUSTRALIA DEVELOPMENT COOPERATION STRATEGY 2006-2010. The four core pillars of the strategy are: improved governance and nation building; sustainable broad-based economic growth and increased productivity; improved service delivery and stability; and a strengthened, coordinated and effective response to the HIV/AIDS epidemic. Australia is currently preparing a framework on Climate Change, Land and Agriculture to reflect from their perspective how they can interphase with government policy framework. PNG and Australia signed a Forest Carbon Partnership in March 2008 for long-term cooperation on reducing greenhouse gas emissions from deforestation and forest degradation (REDD). The Partnership aims to reduce emissions from deforestation and forest degradation, improving livelihoods for forest-dependent communities and promoting biodiversity protection. International carbon markets will be important in providing the necessary investment for REDD, and the Partnership will support participation in these emerging markets. Australia will support PNG to build capacity for carbon monitoring and assessment by providing scientific, technical and analytical assistance for development of a national carbon accounting system. The outcome will underpin PNG's participation in global carbon markets and sustainable management of its forest estate.

One of AusAID's key tools to assist the agriculture sector was the Agriculture Innovation Grant Fund (AGIF). The fund had a total of Kina 2.5 million (US$ 925,000) and funded projects up to Kina 100,000 each. The fund implementation period ended in 2006. The National Agriculture Research Institute (NARI), Fresh Produce Development Agency (FPDA), Coffee Industry Corporation (CIC), Cocoa and Coconut Institute (CCI) and other research and development agencies in PNG have been making use of this funding source for purposes as wide as adaptive research to funding of publication, leaflets and reports. Example of AGIF supported activities are the extension summit held two years ago at the NARI Headquarters in Lae and the ACNARS support to NARI. The AGIF has been succeeded by Agricultural Innovation Grant Scheme (AIGS) which is part of the wider Agricultural Research and Development Support Facility (ARDSF) which has just commenced and will be implemented over a five-years with budget of Aus$35 million. The ARDSF is designed to assist PNG's agricultural research and development organisations and is seen as an innovative shift in AusAID's approach to rural development in PNG. It aims to increase the opportunities for rural smallholders to generate income and maintain food security by enabling selected national agricultural research and development organisations to deliver improved services to their rural stakeholders. AusAID anticipates that improved agricultural research and development services will result in capacity development in the areas of institutional governance and service delivery; and that access to a competitive grant scheme supports transfer of agricultural innovations to rural smallholders. Under the ARDSF direct budget support is provided to NARI. Other selected National Agricultural Research and Development organizations are: CIC; CCI; FPDA; the Oil Palm Research Association (OPRA); and the

Oil Palm Industry Corporation (OPIC). The ARDSF will be open to other suitable organizations for the grants scheme component, but the above mentioned organizations will remain the primary targets for the 18-month inception phase of the Activity. The ARDSF is being managed by a single Managing Contractor (GRM).

Australia also supports a quarantine twining scheme where AusAID supports AQIS to work with NAQIA over three years to build up capacity (budget of Aus$1.5 million over three years). The first step is a review of capacity of NAQIA to identify activities and needs based a priority action plan.

Support is also being provided to the government-led initiative to operationalise the National Land Development Programme and develop a 5-year plan and budget for this. Australia anticipates that along with other donors, they will also support implementation of the plan.

Australia is also funding a small team of advisers to work with PNG Forestry Authority to implement reforms in corporate management, financial and information management, human resources, asset management and management information systems development.

Australia also provides significant support in the transport and infrastructure sector providing for infrastructure upgrading and maintenance projects and institutional strengthening. Work in this sector is guided by PNG's National Development Transport Plan (NTDP) for the period 2001-2010 which was revised in 2006.

Australia signed a "PARTNERSHIP FOR DEVELOPMENT" with the Government of Papua New Guinea in august 2008 which establishes a shared vision to work together in close cooperation to meet common challenges and to achieve improved development outcomes and sustainable improvements in the quality of life of all Papua New Guineans. The partnership should ensure increased levels of development assistance over time.

Estimated ODA for 2007-2008 is Aus$355.9 million (US$ M).

The **Australia Centre for International Agriculture Research** (ACIAR) provides COUNTRY PROGRAMME ASSISTANCE TO PAPUA NEW GUINEA in the agriculture, forestry and fisheries sector. Over recent years, the portfolio has increased significantly. Since 1998, AusAID, through a Record of Understanding, has provided ACIAR with an annual grant of $2 million to fund agricultural research and development projects of mutual interest. Many of the projects funded under the AusAID AGIF relate to previous or current ACIAR-funded projects at these institutions. ACIAR links closely with the new AusAID-funded PNG ARDSF. Most of ACIAR's program consists of bilateral projects, in which an Australian research organisation is commissioned to undertake a specified research activity in collaboration with a partner organisation in Papua New Guinea. Papua New Guinea is also targeted in ACIAR's multilateral program delivered in conjunction with the international agricultural research centers. ACIAR have formal programme consultation with PNG, every four years, to establish priorities for

collaboration. The last consultation was held in September 2004. Current priorities are grouped under four programmatic themes: applied research aimed to maintain and enhance smallholder incomes; sustainable management of land, forestry and fisheries resources; biosecurity and institutional capacity building, socioeconomics and project assessment, through development of human and physical resources.

Examples of projects funded include control of the plant pest banana skipper and identification of the pheromone of cane borer (enabling its numbers to be monitored in the field), research on halting the spread of bee mites in PNG, conservation of indigenous plants, and management of the tuna industry. Much effort has gone into land-use planning and supporting policy development for PNG's food security. PNG's relative lack of resources and expertise is a constraint in R&D activities and in delivery of extension services. Therefore, when designing projects, ACIAR try to include training and packaging of research results in a form suitable for uptake by farmers. ACIAR's portfolio currently includes more than 40 active projects with a collective value of over Aus$19 M.

Japan. Provides support for road construction and improvement, Highlands highway and bridges, airport development, Wewak port and market facilities, health water and sanitation. They have a Small Grants project that provides support also in the agriculture sector. They are also providing assistance to development of smallholder rice production. The Promotion of Smallholder Rice Production project has been implemented together with DAL since 2003 and is scheduled to end in 2008. However, TA support will be provided for further 3-year transition period during hand-over of the project to government. The project targets Madang and East Sepik provinces and uses a "Model Farmer" to farmer extension approach to disseminate rice cultivation knowledge and skills to surrounding farmers. The project had a budget of US$ 4 million over five years. There is an active JOCV programme with more than 50 volunteers working in various fields including 8 in agriculture, fisheries and aquaculture.

New Zealand: A first draft of a new 10-year Country Strategy is with government and will shortly be finalized following a stakeholder consultation workshop in April 2008. The three key pillars for support in the strategy are education, health and rural livelihoods. NZAID's (draft) Growth and Livelihoods Policy provides a broad framework for assistance for economic growth and livelihoods, both rural and urban. NZAID's support for rural livelihoods will pay particular attention to markets that work for the poor, strengthened rural livelihoods and food security.
NZ is supporting ongoing ISP (started 2006 with duration of 10 years) and funding to the Fresh Produce Development Agency (FPDA), which was established with NZ assistance in 1989. FPDA has headquarters in Goroka (Eastern Highlands Province) and field offices and/or operations in seven other provinces. FPDA is the only government extension agency in PNG linking farmers and consumers of fresh fruit and vegetables. The agency focuses on assistance to local-led sustainable development initiatives

particularly for women and young people. NZAID have also provided ISP at Vudal University and they are planning (with WB) to support an ISP with National Department of Agriculture and Livestock (NDAL). They are considering also working together with ADB to support water transport to improve marketing opportunities, and to provide further support to the Smallholder Support Services Project piloted by ADB, if and when it is adopted by GoPNG as its provincial extension model.

NZAID have commenced support in 2007 to a new and innovative economic development programme, Bris Kanda. The 10-year programme is operating in Huon District in Morobe, Salamau and Wampar. It will support rural communities setting up their economic development priorities. The programme aims to build partnerships between rural communities and effective service providers to achieve identified business and income generating priorities. NZAID also contributes to a World Vision NZ sustainable livelihoods programme for internally displaced Manam Islanders, forced to move from Manam Island due to volcanic activity.

NZAID may also provide co-funding, if and when needed, of the AusAID Agriculture Innovations Grant scheme. They will also scope support for the development of one new major rural livelihoods programme from 2007/08.

NZAID allocation for 2007/08 is NZ$21.5 million.

Peoples Republic of China (PRC). Attach high importance to support development of agriculture in PNG through skills training and demonstration projects. They are now in the 6th phase (2-year periods) of support for commercial wheat and rice production, through demonstration farms to improve quality and seed multiplication, which commenced in 1996.They are planning to expand their programme with a comprehensive demonstration project centre in Mt. Hagen. This project is in the final stages of design and should commence in 2008. The project will include rice and other economic crops such as commercial mushroom cultivation. A smaller demonstration project for rice and mushroom cultivation has been implemented in the Lufa District in the Eastern Highlands since 2005. China has also provided infrastructure buildings (Kina 30 million) for Vudal Agriculture University and for a fish processing factory in Lae. They also sponsor participation for PNG government staff in agriculture training courses and seminars held in China and support for road improvements.

Taiwan (ROC) maintains a Trade Mission in PNG. They are also supporting commercial rice seed multiplication projects.

Multilateral Partners:

Asian Development Bank (ADB). The COUNTRY STRATEGY PROGRAMME (CSP 2006-2010) and the Country Operations Business Plan 2008-2010 provide the strategic and operational framework for ADB's activities in Papua New Guinea. The CSP focuses ADBs efforts on: public financial management, private sector development, the transport sector, and health and HIV/AIDS. Development partners have made harmonization in the

transport sector an explicit goal under ADB-AusAID-WB Cooperation Agenda for PNG and the Pacific. This has resulted in a transport sector coordination mechanism and a National Transport Development Plan.

An ADB loan has funded the Smallholder Support Services Pilot Project (SSSPP) which has been implemented over a seven-year period with an implementation agreement signed between the National Government and each of the two participating provinces, Eastern Highland and Morobe. The purpose of the Project is to test and develop the concept of publicly funded, private sector delivered extension system for smallholders in PNG. The conceptual model revolves around identification of farmers support services needs and awarding of extension contracts to local service providers to meet those needs. The extension delivery system is managed by the Provincial Divisions of Agriculture and Livestock (PDAL). ADB will continue with SSSPP until funds are completed, but this project will not be funded further by ADB, but may receive assistance from NZAID (refer above). ADB will also support road improvements in the Highlands (supplementary loan of US$ 53 million) and the development of Lae Port (US$ 50 million).

Asian Development Fund (ADF) lending pipeline includes US$117.5 million for 2008-2010.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. The development focus for the 10th EDF is support to rural economic development and support to human resource development (basic education and vocational training). The programmable allocation is €130 million with 55% (€71.5 M) to be used for rural economic development, but with activities yet to be identified and implementation not anticipated before 2010. A Rural Coastal Fisheries Development Project (€6 million funded under the 8th EDF), which commenced in 2002, is scheduled to complete this year, but is judged to have had limited success in achieving its objectives. Under the 9th EDF €25 M was allocated for rural water supply and sanitation with non-state actors included in the implementation. The water supply projects have a primary aim of improving the condition of women by reducing drudgery of long distance search for water and protection against primary diseases. Support (€3 M) has also been provided to trade related TA to build capacity for policy development, legislation, trade related issues and effective participation in negotiation of regional, multinational and international trade agreements. The trade related assistance programme of the 9th EDF, focusing on capacity building in trade policy formulation, will assist in developing a broader trade facilitation support programme for the 10th EDF with funding of €6 M.

Over the past 10 years PNG has received considerable support from STABEX funds totaling some €245 M.
These funds have been used to assist economic operators in the tree crop sectors of coffee, cocoa and copra. Research and rehabilitation of processing and drying facilities for cocoa, copra and coffee, have led to quality improvements, whilst agricultural diversification aimed at increasing income-earning opportunities and broadening the export base, have also been funded by STABEX. This includes support to NARI's work

on the commercialization of galip nut and nutmeg through provision of improved planting material. EU have been a principal supporter of post-conflict rehabilitation of smallholder cocoa plantations and associated infrastructure in Bougainville. The last STABEX programmes are foreseen to end before 2010.

UN Agencies: Various UN agencies work within their mandates. UNICEF and WHO are active in maternal health and child nutrition. WHO has also provided support to strengthen food analysis capacity of the public health laboratory. FAO has supported implementation of the Special Programme for Food Production in Support of Food Security since 1996 (US$884,100), and assisted with the formulation of up-scaled programme. The draft report of this is now under discussion prior to its finalization this year.

The UN Common Country Assessment (CCA) is a country-based process, which reviews and analyses the national development situation, and identifies key issues and challenges based on its common experience in the country. The CCA 2001 formed the basis for the formulation of a single United Nations Development Assistance framework (UNDAF). The UNDAF has now been succeeded by the United Nations Country Programme Papua New Guinea (UNCP2008-2012). The next step will be to prepare a Country Programme Action Plan and Annual Work plans, which will identify proposed support to the overall UNCP thematic areas and related national priorities. The UN support will be focused in five outcome areas: governance and crisis management; foundations for human development (which encompasses health, education and child protection); sustainable livelihoods and population; gender and HIV and AIDS. Under the sustainable livelihoods and population outcome effort will be concentrated on strengthening the policy framework, and enforcement mechanisms, to conserve natural resources, whilst simultaneously promoting income earning opportunities, particularly in the rural areas.

UNDP is supporting sustainable development through several projects assisting the government to strengthen institutions, help communities to manage their natural resources sustainably and to protect the environment and diversity. Projects include: National Capacity Self-Assessment for Global Environmental Management (GEF funded US$32,000), Enabling Activities for the Preparation of PNG's second National communication to the UNFCCC (GEF funded US$405,000), Department of Environment and Conservation Capacity Strengthening project (UNDP funded US$300,000), Capacity building for Sustainable Land Management in Papua New Guinea (GEF funded US$593,000) and preparatory assistance for a Community Based Eco-Tourism Development Project .

World Bank Group has just finalized with the PNG government a Country Assistance Strategy (CAS). The CAS for 2008-2011 is designed as the first in a series covering the next 15 to 20 years, which will allow the Bank Group and GoPNG to take action on challenges in the short-term, while starting to work on issues that require a longer-term approach. The CAS emphasizes close coordination with development partners, including programmatic support to specific sectors, to maximize aid effectiveness within each donor's comparative advantage and available resources. The strategy is results-based,

defining expected outcomes over the next four years as well as the Bank Group's proposed contribution to longer-term national development goals. The CAS has been prepared jointly by the World Bank and International Finance Corporation (IFC). The Bank and IFC and the Foreign Investment Advisory Service (FIAS) will work to integrate their country programmes, from upstream analysis to complementary investment and advisory activities in areas such as forestry, fisheries, extractive industry development, agriculture, infrastructure, and the overall business environment. The CAS focus is on two strategic pillars: Promoting and maintaining sound economic and natural resource management, and improving livelihoods and service delivery, especially for the rural poor. Within Pillar 1, activities will focus on strengthening governance, maintaining sound management of the extractive industries, and promoting effective and sustainable management of natural resources. Pillar 2 will include targeted interventions to support private sector development, enhance rural livelihoods, improve local service delivery, expand access to infrastructure, and support multi-donor approaches in health and education. The CAS is designed to be delivered on two platforms, supporting policy and institutional development at the national level while working to improve planning and service delivery at the local level. The annual IDA allocation is tentatively estimated at US$45 million for FY08 and US$30-32 million thereafter. The CAS aims to restrict new IDA operations to a maximum of three in a typical year; "core" analytical pieces will be limited to two per year. The CAS will also draw on regional and global funds such as GEF, the Infrastructure for Growth Facility, and the Forest Carbon Partnership Facility. In FY08 a Smallholder Agriculture Development Project (US$27.5 million IDA credit) will be funded. The Smallholder Agriculture Development Project aims to improve the level of involvement of targeted communities in their local development through measures aimed at increasing oil palm revenue and local participation. It aims to increase smallholder incomes in a number of communities in West New Britain and Oro provinces.

Support to rural development and livelihoods (possibly together with the EU) are being considered for future years (FY10?). A stock taking and scoping mission in this area is currently being undertaken by a Bank team. The Bank may also carry out capacity building and readiness activities under the REDD programme. In addition to supporting microfinance, the IFC will consider investing in gas field development, mining, telecommunications, agribusiness, financial markets, and renewable energy. The Private Enterprise Partnership for the Pacific (PEP-Pacific) will build on existing support for strengthening access to markets, regulatory and institutional reforms, and investment support. It will work to leverage partnership with private sector agribusiness firms to strengthen supply chains, including commodity standards and certification and training and financing for suppliers.

NGOs

The PNG government works closely with a variety of non-government partners. These include international and national NGOs, CBOs, religious organizations, and the private sector. The Papua New Guinea Sustainable Development Programme Ltd. (PNGSDP), established in 2001 by GoPNG and BHP Billiton mining company, is an independent

trust devoted to investing a portion of profits from the OK Tedi mine in sustainable development activities. PNGSDP's principal areas of focus are infrastructure, rural development, energy, microfinance, and community development. PNGSDP has become an important development partner for the World Bank Group, providing co-financing to the Smallholder Agriculture Development Project (SADP) and Road Maintenance and Rehabilitation Project (RMRP) as well as supporting the GEF-financed Teacher's Solar Lighting project, and collaborating with the IFC on microfinance and forestry.

Oxfam International (including Oxfam NZ and Oxfam Australia**)** opened offices in PNG (Port Moresby and Goroka) in 2006 under the overall responsibility of ONZ. They are now finalizing their strategic programme and work programme activities under the framework of the Oxfam Pacific Regional Strategic Plan 2007-2012. This plan focuses in-country work on four Melanesian countries, Papua New Guinea, Solomon Islands, Vanuatu, and Fiji, because these countries suffer the most widespread poverty in the Pacific, and in the case of Papua New Guinea and the Solomon Islands, are experiencing negative development trends. But recognising the vulnerability of Polynesian countries' small populations to regional policy shifts and natural disasters, the Strategic Plan period will see an increased focus also on Polynesia, particularly in the area of disaster management.

The Regional Strategy Plan sets out key change goals, objectives and strategies for the next five years. The change goals focus on six areas: Economic justice; Essential services; HIV and AIDs; Human security; Gender; with Active citizenship as a cross cutting theme.
The goal under economic justice is: *More Pacific people, particularly those in vulnerable and marginalised communities, achieve their right to secure and sustainable livelihoods, and obtain a fair share of the benefits of social and economic development.*
The goals and objectives will be implemented through a variety of strategies: working directly or through partners; sharing successful strategies and other experiences through exchanges, networks and specific training; conducting research into key issues; advocacy at national, regional and international levels; building the capacity of partners, individuals, institutions and, where appropriate Pacific governments.

Oxfam's strategy highlights a need for alternative visions in the Pacific. This is because they consider the current drive for economic growth places little emphasis on rural development, food security and the non-formal economy, and there is limited focus by government and donors on growth with equity or on the social, cultural and environmental impacts of current growth-aligned policies. Oxfam consider there is a need for new visions of economic development in the region – visions which recognise and address the broader sense of livelihoods that exists amongst many Pacific communities which are intimately tied to culture and indigenous peoples' continuing close links to their communal land, belief systems, spirituality and custom law.

OAus and ONZ have supported rural livelihoods programs in Solomon Islands (including with a specific focus on youth) and Papua New Guinea, regional networking via the Melanesian Farmer First Network across Papua New Guinea, Bougainville, Solomon Islands and Vanuatu, and non-formal education, focusing on young school 'push outs"

through the Vanuatu Rural Development Training Centre Association. OAus has had a significant focus on advocacy and program work to address the impact of large scale resource developments on communities' ability to achieve sustainable livelihoods in the Solomon Islands and Papua New Guinea, and on labour rights in Fiji. ONZ and OAus have made substantial investment in strengthening civil society engagement with governments over trade and development policy – especially around WTO accession, key industries like garments and sugar, and regional trade negotiations with the European Union (the EU-ACP Economic Partnership Agreement) and with Australia and New Zealand (PICTA and PACER). Oxfam are developing a project to research, document and promote alternative economic visions for the Pacific encompassing a varied informal economy, strengthening existing informal structures or developing new commercial activities to widen participation.

WWF implement two EU Budget-line funded projects: (1) community development and resource conservation (€0.7 M) project for 5 years commencing in 2004 in the South Fly District of Western province. It aims at increasing community income from sustainable use of natural resources; and (2) conservation and sustainable use of the marine and coastal biodiversity of Bismarck Seas (€1.8 M) for five years commencing November 2005.

World Vision NZ: Supports projects focuses on improving water quality and quantity, providing sanitation facilities and increasing accessibility to health care services. They also support income generating projects on Bougainville and general capacity building for local staff and communities with management and leadership skills.

Private sector: under the framework of the National Agriculture Development Plan (NADP) the government has entered into a joint venture with a Korean company to develop cassava processing for industrial starch and ethanol. Similarly the government has entered into a joint venture with a Malaysian company to develop processing of sago palm for industrial starch.

Multilateral Development Facilities

Global Environment Facility PNG currently has five projects funded under GEF, two in focal area biodiversity, two in focal area climate change and one (National Capacity Self-Assessment) in multi-focal areas. Total value of the five projects is US$10.012 million. PNG participates in the GEF-PAS with national priorities for project preparation in: Invasive species management; Strengthening community-based marine resources and fisheries management (Coral triangle Initiative); Terrestrial/forestry protected area management; Building resilience to climate change (Pacific Adaptation to Climate Change); Integrated water resource and wastewater management; DDT alternatives; and Integrated solid and hazardous waste and POPs management.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Enhancing PNG Smallholder Cocoa Production Project	ACIAR			2003-2008	516,925
Evaluating Domestic Tuna Fisheries Project	ACIAR	Univ. Queensland, NFA, FFA	Sustainable fisheries management for employment and food security	2005-2008	331,549
Assessment and Improvement of Quality Management During Postharvest Processing and Storage of Coffee Project	ACIAR	Univ. NSW, CIC, AT Projects, PNG	To improve coffee quality through assessment and improvement of postharvest processing and storage	2006-2009	715,163
Assessing and Extending Schemes to Enhance the profitability of Coffee Industry Via price premiums for Quality	ACIAR	Curtin Univ. Technology CIC	To improve coffee quality throughout the whole supply chain and extend promising initiatives	2005-2008	39,021
Sustainable Management of Coffee Green Scale Project	ACIAR	CAB Int., CIC, University of New South Wales	Develop and foster uptake of biological control for coffee green scale disease	2006-2009	584,642
Improving the Profitability of Village Broiler Production Project	ACIAR	South Australian R&D Inst., NARI, University of Technology, Christian Leaders Training College, Lutheran Development Service, Salvation Army Development Programme	Developing local ingredient supplemented feed options and extending these	2007-2009	375,953
Re-Commercialization of Pyrethrum Industry Project	ACIAR	Botanical Resources, Aus. NARI, Enga Provincial Administration, University of Tasmania, DNPM	To provide planting materials and improved agronomic practices to revive the pyrethrum industry in the Highlands	2007-2010	753,559
Management of Potato Blight Project	ACIAR	DPI Victoria, CRC, Australia, International Potato Center, NARI, FPDA, CCI	To identify blight tolerant potato varieties and integrated control strategies	2004-2009	863022
Fruit Fly Management Project	ACIAR	NSW DPI, NAQIA,NARI, Univ. of Sydney, Queensland Univ. Technology, FPDA	Research to develop control of fruit fly infecting smallholder horticultural crops	2006-2009	695,663

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Biological Control of "Mile a Minute" Weed Project	ACIAR	QDPI, SPC, MASLR, Fiji, NARI, OPRA, CCI	Evaluation of biological control through natural predators of an invasive weed in PNG, Fiji and Samoa	2006-2008	544,276
Reducing Pest and Disease Impact on Yield of Sweet Potato Project	ACIAR	QDPI, NARI, NAQIA, FPDA, International Potato Center	Introduction of integrated pest management and pathogen tested planting materials to improve sweet potato yields	2006-2010	851,428
Mitigating the Effect of Banana *Fusarium* Wilt Project	ACIAR	Biodiversity Int., QDPI, Indonesian Fruit Research Institute, NAQIA, Agency for Ag quarantine, Indonesia	Characterisation of Fusarium pathogenic forms, to help develop national management strategies	2006-2009	446,758
Management of *Eumetopina flavipes*: Vector of Ramu Stunt Disease of Sugar Cane Project	ACIAR	Bureau of Sugar Experiment Stations, James Cook Univ. Ramu Sugar Ltd.	To develop an integrated management programme for planthopper to protect Australian sugar industry against spread from PNG	2006-2008	140,663
Integrated Pest Management for Finschhafen Disorder of Oil Palm Project	ACIAR	Charles Sturt Univ., NSW Dept Primary Industry, PNG OPRA	To provide biological knowledge on causes of FD in oil palm and develop control methods To develop an integrated management ptogramme for planthopper	2007-2010	375,953
Managing Cocoa Pod Borer Project	ACIAR	CAB Int., Univ. of Sydney, NAQIA, CCI	To effectively implement long-term pod-borer management	2008-2011	662,042
Development of a Mycoinsecticide to Control Sexava Pests in Oil Palm Project	ACIAR	OPRA	Scope environmentally-friendly control methods for Sexava grasshoppers	03/08-12/08	23,500
Inland Aquaculture: Improving Fingering Supply and Fish Nutrition for Smallholder Farms	ACIAR	Univ. of Western Sydney, NFA, NDAL, QDPI&F	Research to improve supply of fingerlings to farms, and securing brood stock and breeding lines at Aiyura and development of fish-husbandry packages	2005-2008	728,266

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Culture of Promising Indigenous Fish Species and Bioremediation for Barramundi Aquaculture P	ACIAR	QDPI&F, James Cook Univ., OK Tedi Mining Ltd., NFA, Western provincial Administration	On-farm trials and extension of hatchery production and growout techniques of promising freshwater aquaculture species	2006-2011	734,692
Reducing Pest and Disease Impact on Yield of Sweet Potato Project	ACIAR	QDPI, NARI, NAQIA, FPDA, International Potato Center	Introduction of integrated pest management and pathogen tested planting materials to improve sweet potato yields	2006-2010	851,429
Assessment of the Impact of the PNG Purse Seine Fishery on Tuna Stocks, with Special Emphasis on FADs Project	ACIAR	SPC, NFA, University of Hawaii	To manage the sustainability of the tuna fishery by providing information on tuna population dynamics and fishery impacts for the use of FADs	2003-2009	376,000
Value-Adding to PNG Agroforestry Systems Project	ACIAR	ANU, PNG Forest Authority, Univ. Technology, PNGSDP Ltd., Village Development trust, PNG Ecoforestry Forum	To encourage adoption of commercial-scale high value tree growing through fostering relationships between landowners and business partners	2007-2011	857,362
Domestication and Commercialisation of *Canarium Indicum* Project	ACIAR	James Cook Univ., NARI, Commodities Export marketing Authority, S.I., Pacific Nuts Co, Vanuatu	To ensure sufficient supply of *Canarium Indicum* and establish a network for this. To establish robust nursery propagation techniques to underpin marketing network	2006-2009	596,665
Assessment, Management and Marketing of Goods and services from Cutover Native Forests project	ACIAR	Univ. Melbourne, Village Development Trust PNG, PNG Forest Research Institute, Australian national Univ. (ANU)	To improve the contribution that PNG's secondary forests make to national and local economies by developing appropriate strategies for their management and marketing	2007-2010	736,319
Overcoming Magnesium Deficiency in Oil Palm Crops Project	ACIAR	CSIRO, OPRA, James Cook Univ.	Project scientists are working with the Oil Palm Research Association (OPRA) in New Britain and elsewhere to test novel ways of applying sources of slowly available magnesium while they survey the extent of the soil problem. They intend to further elucidate the underlying soil and plant chemistry, and train OPRA scientists in appropriate analytical techniques	2007-2010	123,140

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Farmer Evaluation and Multiplication of Sweet Potato Varieties Project	ACIAR	World Vision, ANU, NARI	The project is using on-farm trials and multiplication sites to extend new varieties into coastal farming communities of Madang. to improve food security	2002-2008	862,580
Productivity and Marketing of Peanut Project	ACIAR	QDPI&F, Ramu Sugar Ltd, NARI, Trukai Industries, NDAL	Transfer of new peanut varieties and management technologies to smallholder farmers	2006-2009	793,757
Soil Fertility Management in the PNG Highlands for Sweet Potato Systems Proj.	ACIAR	Univ. Queensland, NARI, QDPI&F, Lutheran Development Services	Improving sweet potato yield in PNG Highlands by addressing soil fertility decline.	2007-2012	1,049,303
Analysis of Nutritional Constraints to Cocoa Production Project	ACIAR	NARI, CCI, Curtin University of Technology, Australia	To compile biophysical and socioeconomic data as a basis on which to recommend RD&E investment and crop management.	2007-2008	94,297
Screening High-Carotenoid Sweet Potatoes in SI & PNG project	ACIAR	University of Adelaide, International Potato Center, KGA & NDAL in SI, NARI in PNG	To select nutritionally-enhanced staple to address vitamin A deficiency in diets	2007-2010	123,140
Agricultural Research and Development Support Facility (ARDSF) including Agriculture Innovations Grant Scheme	AusAID	NARI, CIC, CCI, FPDA, OPRA, OPIC	To increase the opportunities for rural smallholders to generate income and maintain food security by enabling selected national agricultural research and development organisations to deliver improved services to their rural stakeholders	2008-2013	32,900,000
AQIS-NAQIA Twinning Scheme	AusAID		Institutional strengthening and capacity building	2007-2010?	1,410,000
The Promotion of Smallholder Rice Production project	JICA	NDAL	Promotion of smallholder rice production through farmer to farmer extension	2003-2008	4,000,000
ISP FPDA	NZAID		Capacity building and prograsmme support to FPDA	1989 -ongoing	
Bris Kanda Project	NZAID		To build partnerships between rural communities and effective service providers to achieve identified business and income generating priorities	2007-2017	

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Rice, Wheat and vegetable Production projects	PRC	NDAL	Improve food security and income generation by increasing domestic commercial rice and wheat cultivation and growing of high value market crops such as mushrooms	1996-0ngoing	
Comprehensive Demonstration Farm Project in Mt. Hagen	PRC		Extension of rice and other crop production technologies to farmers	2008-	
Rice Seed Multiplication Projects	ROC	NDAL	Increase domestic production of rice	ongoing	
Smallholder Support Services Pilot Project (SSSPP)	ADB	NDAL and each of the two participating provinces, Eastern Highland and Morobe PDALs	The purpose of the Project is to test and develop the concept of publicly funded, private sector delivered extension system for smallholders in PNG	1999-2008?	
Rural Coastal Fisheries Development Project	EU	NFA	Provision of credit facilities for boats and equipment plus TA capacity building	2002-2008	9,240,000
Reestablishment of Micro-propagation Unit for Coffee	EU/ STABEX	CRI	Renovation of tissue culture facility for CRI	Complete 2008	190,000
Control of Green Scale Disease	EU/ STABEX	CRI	Parallel work to ACIAR on control of green scale disease	Complete 2008	152,000
Commercialisation of tree nuts	EU/ STABEX	NARI	Planting material selection for galip nut and nutmeg	Complete 2008	266,000
Rural Economic Development Programme	EU	To be determined	To be defined	2010 pipeline	110,110,000
TA Support to Formulation of Up-scaled National Programme for Food Security	FAO	NDAL		2007-2008	

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Smallholder Agriculture Development Project	WB (IDA credit)		The Smallholder Agriculture Development Project aims to improve the level of involvement of targeted communities in their local development through measures aimed at increasing oil palm revenue and local participation. It aims to increase smallholder incomes in a number of communities in West New Britain and Oro provinces.	2008-pipeline	27,500,000

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget
Trade Related TA.	EU	DTI	The overall objective of the project is to support PNG in benefiting more from international trade with a view to increase growth and thereby contribute to poverty reduction. The specific project objective is to support DTI/PNG by strengthening its capacity building for trade related policy formulation, analysis, administration and negotiations as well as through integration of trade aspects into PNG's development and sector strategies and through export development and promotion activities.		4,620,000
Trade Facilitation Support Programme	EU		To build capacity for policy development, legislation, trade related issues and effective participation in negotiation of regional, multinational and international trade agreements (yet to be fully defined)	2009 pipeline	9,240,000
Promotion of Quality Improvement for Coffee	EU/STABEX	CRI	To improve coffee quality and assist overseas marketing	2008-	1,064,000
Support for Cooperatives	EU/STABEX	CRI	Under redesign to work with quality improvement project	2008-	988,000

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Improving nutrition in Children TA	WHO	MH		2008-2009	30,000
Food Safety Strengthening	WHO	MH	Evaluate healthy market activities, develop food consumption survey system, develop CPHL to achieve international accreditation in field of food and water analysis, training CPHL staff on accreditation process and procedures	2008-2009	70,000
Rural Water Supply and Sanitation Project Phase 1	EU	Up to 46 non-state actors included in the implementation	Improving the condition of women by reducing drudgery of long distance search for water and protection against primary diseases	2006-2008	12,320,000
Rural Water Supply and Sanitation Project Phase 2	EU	non-state actors included in the implementation	Improving the condition of women by reducing drudgery of long distance search for water and protection against primary diseases	2008-2012	26,180,000
Gazelle Resettlement Scheme	EU		Includes water and other infrastructure – schools, roads, market, health centers, women's centers	2005-2008	7,546,000

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
National Capacity Self-Assessment for Global Environmental Management	GEF	UNDP, DEC	To identify and articulate capacity obstacles and needs with respect to meeting PNG's global environment obligations.	2005-2008	200,000
DEC Strengthening Project	UNDP	DEC	ISP for DEC to mainstream environmental considerations into resource management sectors	2006-2008	300,000
Capacity Building for Sustainable Land Management	GEF	UNDP, DEC	Capacity building to mainstream sustainable land management into government's development planning processes	2008-2011	593,000
Community development and resource conservation	EU Budget	WWF	It aims at increasing community income from sustainable use of natural resources in the South Fly District of Western province	2004-2009	1,078,000
Conservation and sustainable use of the marine and coastal biodiversity of Bismarck Seas	EU Budget	WWF		2005-2010	2,722,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Preparation of Second Communication to UNFCCC	GEF	UNDP, DEC, DNPM,	To prepare a comprehensive report on climate change related issues	2007-2009	405,000
PNG and Australia Forest Carbon Partnership, March 2008	Australia		Long-term cooperation on reducing greenhouse gas emissions from deforestation and forest degradation (REDD). Support for participation in Carbon Markets, To build capacity for carbon monitoring and assessment by providing scientific, technical and analytical assistance for development of a national carbon accounting system.	2008 pipeline	

Acronyms

National agencies

CC1	Cocoa and Coconut Institute
CIC	Coffee Industry Council
DEC	Department of Environment
DNPM	Department of National Planning and Monitoring
DTI	Department of Trade and Industry
FPDA	Fresh Produce Development Association
MH	Ministry of Health
NAQIA	National Agriculture Quarantine and Inspection Authority
NARI	National Agriculture Research Institute
NFA	National Fisheries Association
NDAL	National Department of Agriculture and Livestock
OPIC	Oil Palm Industry Corporation
OPRA	Oil Palm Research Association
PDAL	Provincial Department of Agriculture and Livestock

Papua New Guinea Proposed Projects for the FSSLP

	COMPONENT 1	**Estimated Cost US $**
1	Domestic Rice Research & Development	1,000,000
2	Upscale of Fruit Tree Development	965,660
3	Training On HACCP & Risk Assessment	100,000
4	National Food Consumption Survey	200,000
	Sub-total	***2,265,660***
	COMPONENT 3	
1	Post Harvest & Food Processing Research & Training Centre	558,000
2	Food Quality Testing Laboratory Services	601,400
3	Erap Irrigation Development Project	300,000
	Sub-total	***1,459,400***
	TOTAL	**$3,725,060**

Country Overview:

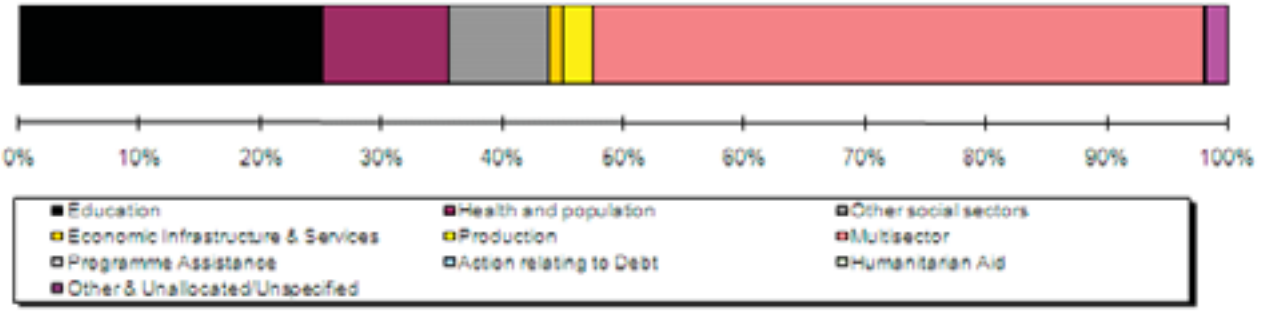
Marshall Islands

Receipts	2004	2005	2006
Net ODA (USD million)	51	57	55
Bilateral share (gross ODA)	96%	98%	99%
Net ODA / GNI	30.3%	31.4%	28.5%
Net Private flows (USD million)	1 132	2 737	1 394

For reference	2004	2005	2006
Population (million)	0.1	0.1	0.1
GNI per capita (Atlas USD)	2 810	2 930	3 000

Top Ten Donors of gross ODA (2005-06 average)	(USD m)
1 United States	47.71
2 Japan	6.69
3 Australia	0.88
4 AsDF	0.45
5 UNTA	0.22
6 New Zealand	0.11
7 Korea	0.03
8 EC	0.02
9 Greece	0.01
10 Norway	0.01

Bilateral ODA by Sector (2005-06)



Sources: OECD, World Bank.

National Development Framework: The Republic of Marshall Islands (RMI) government's national policy framework and development strategies are set out in the Strategic Development Plan Framework 2003-2018 (Vision 2018) "*Jepilpilin Ke Ejukaan*". This document sets out the goals and objectives over 15 years and how RMI will go about achieving them. Ten key goals identified are:

1. Operating in an independent world (designing and implementing sustainable development policies; minimizing the impact of global warming and climate)
2. Enhanced socio-economic self-reliance (macroeconomic framework; partnership and coordination; food security; and developed infrastructure services).
3. An educated People.
4. A healthy People.
5. A productive People
6. A law-abiding People
7. God-loving People.
8. Respecting individual freedom and fundamental human rights.
9. Respecting culture and traditions
10. Environmental Sustainability

The Vision 2018 includes broad strategic goals for developing productive sectors including agriculture and fisheries. The Ministry of Resources & Development is the primary government organization responsible for agriculture, energy trade and investment. Their work is guided by the Ministry of Resources and Development Strategy and Action Plan 2005-2010. The plan identifies two special programmes: "Farmers Markets" on Majuro and Ebeye and the "Tree of Life Development", and four other core programme areas; primary production agriculture; product and market development; investment and business development and energy services.

Development Partners Active in Country:

Bilateral Partners:

Australia. Australia has a modest development assistance program with the Marshall Islands, estimated to total A$325,000 in 2006-07. The program focuses on scholarships and supporting community organizations (small-grants programme). Under the Defence Cooperation Program, Australia provides ongoing funding for the Pacific Patrol Boat Program. In 2006-07, funding to RMI through the Defence Cooperation Program is estimated to be A$762,000.

Japan. Assistance Policy is determined at the Japan-Pacific Island Forum Summit Meetings (PALM) last held in Okinawa in May 2006. The Embassy of Japan Majuro is responsible for bilateral official development assistance in RMI. Japan provides significant assistance (an estimated average of approximately $6 million a year) Japan funds water and sanitation projects, and is expected to fund a project to improve solid waste management in Majuro.

Taiwan (ROC) Government revenue has also been augmented by aid from Taiwan (the RMI established diplomatic relations with Taiwan in November 1998) and by a significant increase in returns from the fisheries sector through the activity in RMI waters of Taiwan purse seine fishing vessels, which also use Majuro as a base. Taiwan maintains a technical mission working to support self-sufficiency in agriculture and livestock rearing. A horticulture project is assisting fruit and vegetable development and farmer training. It is also extending pig and chicken technologies to farmers. A grant (US$800,000) has been used to develop a revolving micro-credit scheme. ROC development assistance is estimated at US$10 million per year and includes direct budgetary support (approx US$4 million).

United States of America (USA): In 2003, the United States signed Compacts of Free Association with the Republic of Marshall Islands (RMI), amending a 1986 compact with the countries. The amended compacts provide RMI $1.5 billion from 2004 to 2023, including large annual and increasing contributions to a trust fund designed to provide an annual source of revenue when the annual United States assistance terminates at the end of fiscal year 2023 A trust fund committee has been established to oversee the funds. The assistance, targeting six sectors, is aimed at assisting the countries' efforts to promote economic advancement and budgetary self-reliance. United States assistance will be for grants for education, health care, private sector development, the environment, public sector capacity building, and public infrastructure, with priorities in the education and health care sectors. The amended Compacts created new accountability requirements for the use and reporting of United States assistance. US is contributing an estimated 82% of total annual ODA made up of Compact 2 disbursements and various Federal Grants.

Multilateral Partners:

Asian Development Bank (ADB). COUNTRY STRATEGY AND PROGRAMME UPDATE 2007-20011 provides the current framework for assistance. The strategy prioritises the provision of technical assistance and policy advice for: increasing public sector productivity with emphasis on basic social services; and enhancing the environment for private sector investment, job creation, and growth.

Since 1990, the Asian Development Bank (ADB) has approved 12 loans amounting to more than $78.13 million. Forty-six technical assistance grants amounting to $18.76 million have been approved since 1990. ADB loans have covered education, fisheries, health, water, and transport, and support for public sector reform and structural adjustment. One loan assisted emergency typhoon rehabilitation. The technical assistance program has also covered a wide range of sectors and issues from support to ADB loans to building capacities in development banking, tourism management, environmental protection, economic policy formulation, as well as in privatising state-owned enterprises, developing the private sector, and reforming the civil service.

Technical assistance projects, ongoing and approved in 2006, continue the strategic focus on improving both public and private sector performance and productivity and on improving national policy formulation. This strategic focus will help improve the yield

from other grant funding made available to the Marshall Islands by the Governments of Japan; ROC; and the United States.

Further lending is not envisaged at this time.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus is renewable energy for both the 9th and 10th EDF. Envelope An allocation under the 10th EDF is €5.3 million of which €4.5 million will be devoted to the focal sector implemented under the multi-country approach for small Pacific island countries[47].

UN Agencies: FAO will undertake a case study assessment of impact of climate change on agriculture and food security in 2008. They will also assist in formulating a strategy to address the issues related to soaring food prices. WHO is providing technical assistance for the drafting of food safety legislation. UNDP is supporting NGO implemented sustainable livelihoods project focused on manufacture and marketing of local crafts.

NGOs: Several NGOs are active including Youth to Youth in Health; Women United Together Marshall Islands (WUTMI) and Marshall Islands Conservation Society (MICs). All three NGOs have some focus in the area of food security and sustainable livelihoods.

Multilateral Development Facilities

Global Environment Facility: RMI has 2 projects being implemented under GEF co-financing and participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with priority areas for proposals in: Sustainable finance systems for island protected area management (Micronesian Challenge); Invasive species management; adaptation to climate change, energy efficiency programmes (ADMIRE); Integrated water resource and wastewater management; Integrated solid and hazardous waste and POPs management.

[47] The countries involved in this approach are; Cook Islands, FSM, RMI, Palau, Nauru, Niue, Kiribati, Tuvalu, and Tonga.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Technical Mission	ROC		To support self-sufficiency in agriculture and livestock rearing. A horticulture project is assisting fruit and vegetable development and farmer training and is also extending pig and chicken technologies to farmers		
Atoll Centre of Excellence	IFAD, Land Grant College		To undertake appropriate research on atoll agriculture	2008 pipeline ???	
Forestry: 1. Conservation Education	USDA Forest Service	Ministry of Resources And Development (R&D)	Increase awareness, knowledge and appreciation of natural resources, promoting critical thinking skills concerning natural and cultural resource issues	2008-2009	7,000
2. Cooperative Lands Forest Health Protection			To train personnel to conduct detection surveys and evaluations and to conduct pest and forest health surveys on State and private lands	2008-2009	15,000
3. Forest Stewardship Program			To encourage the long term stewardship of non-industrial private forest lands by assisting owners of such lands to more actively manage their forest and related resources by utilizing existing State, Federal and private sector resource management expertise and assistance programs. This grant covers 3 programs: 1) Forest Stewardship Program, 2) Forest Resource Management and 3) Reforestation, Nurseries and Genetic Resources.	2008-2009	15,000
4. Urban & Community Forestry			Promotes the development of organizational and community forests through technical and financial assistance.	2008-2009	25,000

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Technical Assistance Food Safety	WHO		To draft food safety regulations.	2008 0ngoing	

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
National Capacity needs Assessment for Global Environment Management (NSCA)	GEF	UNDP			225,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Case Study Assessment of Impact of Climate Change on Agriculture	FAO TCP			2008	40,216
Action for the Development of Marshall Islands Renewable Energies (ADMIRE) Project	GEF	UNDP		2008-?	1,000,000

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget

Marshall Islands Proposed Projects for the FSSLP

	COMPONENT 1	**Estimated Cost US $**
1	Integrated Coconut Development	300,000
2	Expanded Integrated Home Gardening	200,000
3	Reviving Local Food Crops	150,000
4	Livestock Development	200,000
5	Fisheries Development	100,000
6	Capacity Building – TA	120,000
	Sub-total	***1,070,000***
	COMPONENT 3	
1	Aquaculture Development	400,000
2	Youth Canoe Building	120,000
3	Market Infrastructure	1,000,000
4	***Sub-total***	***1,520,000***
	TOTAL	**2,590,000**

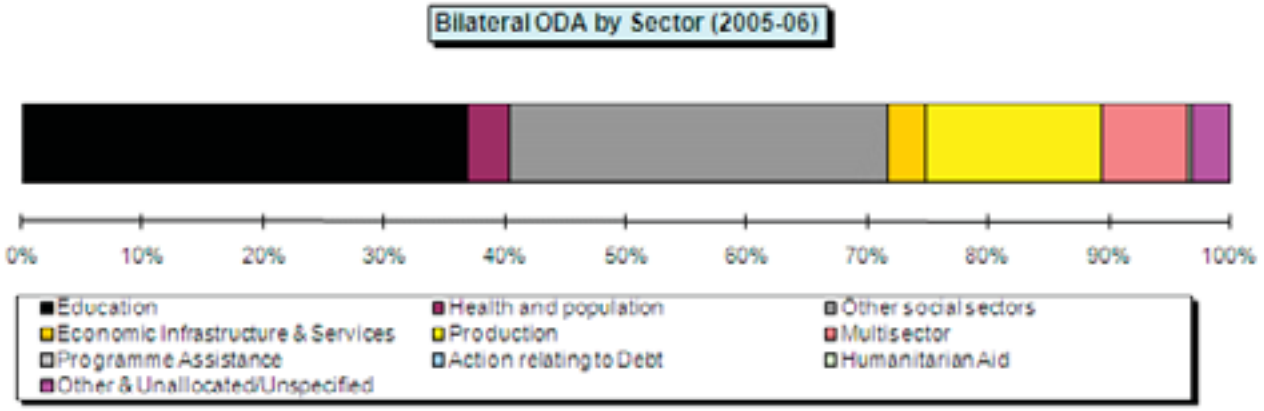
Country Overview:

Samoa

Receipts	2004	2005	2006
Net ODA (USD million)	31	44	47
Bilateral share (gross ODA)	72%	63%	74%
Net ODA / GNI	8.8%	11.5%	11.3%
Net Private flows (USD million)	- 12	29	2

For reference	2004	2005	2006
Population (million)	0.2	0.2	0.2
GNI per capita (Atlas USD)	1 760	2 020	2 270

Top Ten Donors of gross ODA (2005-06 average)		(USD m)
1	Japan	15
2	Australia	13
3	IDA	7
4	New Zealand	6
5	EC	4
6	AsDF	2
7	UNTA	1
8	Arab Agencies	1
9	United States	1
10	UNDP	1



Sources: OECD, World Bank.

National Development Framework: Strategy for the Development of Samoa 2005-2007 (SDS) has set the framework for economic and social development in Samoa. The SDS for 2005-2007 identifies six broad areas for further development: the private sector, agriculture, tourism, community, education and health. A new SDS covering the period 2008-12 was released by the government in April 2008. The SDS 2008-12 identifies seven key goals to be pursued:

1. Sustainable macroeconomic stability
2. Private sector led economic growth and employment creation
3. Improved education outcomes
4. Improved health outcomes
5. Community development: improved economic and social wellbeing and improved village governance
6. Improved governance
7. Environmental sustainability and disaster risk reduction.

The SDS prioritises that an agriculture sector plan that provides a coherent policy framework for promoting agricultural development will be formulated and implemented. In general, the government will concentrate on provision of public support services to agricultural development, namely research, extension, quarantine, regulation, marketing information and physical infrastructure, recognising that the full commercial development of crops shown to be technically viable requires private entrepreneurship. Marketing and branding are critical to the realization of opportunities for organic agricultural and livestock production. Government will improve the efficiency of the state-owned high-temperature forced-air facility to facilitate fruit exports. An abattoir is needed to improve the hygiene and quality standards of animal slaughter for the domestic market and to encourage increased beef production as well as make use of the meat processing training centre. This has been identified as a private sector investment opportunity by the Ministry of Commerce, Industry and Labour and will be promoted accordingly.

Samoa reviewed and updated the National Forest Policy in 2007 and drafted a new Forest Management Bill, however the absence of a sector wide agriculture development strategy is considered to be a major factor limiting investment in the sector.

Development Partners Active in Country:
Samoa is listed as a Least Developed Country and thus is eligible to specific development assistance to LDCs.

Bilateral Partners:

Australia. The Joint Samoa Program Strategy (JSPS 2006-2010) has been prepared by the Governments of Samoa, Australia and New Zealand to support Samoa's development efforts in line with the Strategy for the Development of Samoa (SDS) 2005-2007. The JSPS partners engage in quarterly programming talks in Samoa to plan and coordinate aid efforts. Joint high level policy talks (HLDs) are held at approximately 18 months

intervals to review and set strategic directions. The last HLDs were held in 2007. AusAID will undertake a strategy quality review to be completed mid-2008.

The JSPS proposes two key strategic objectives and seven objectives against which Australian and New Zealand aid will be programmed:
Strategic Objective 1: Improve opportunities for employment and investment
Objective 1.1 Facilitate community level income and small business opportunities
Objective 1.2 Improve the enabling environment for private sector growth
Strategic Objective 2: Enhance the wellbeing of all Samoans through improved service delivery and community development
Objective 2.1 Improve public sector service delivery
Objective 2.2 Strengthen social cohesion and civil society
Objective 2.3 Improve access to quality basic and post-basic education
Objective 2.4 Improve health focusing on primary and preventative health
Objective 2.5 Strengthen law and justice to support a safer Samoa

Australia takes a lead role in the following sectors: public sector reform; law and justice; rural development (with a focus on income generation activities). Australia and New Zealand will work jointly with the ADB and other donors to support Samoa's education sector. AusAID and the government of Samoa have completed a design for an agroforestry project which is currently being considered for funding. Australia signed a "PARTNERSHIP FOR DEVELOPMENT" with the Government of Samoa in August 2008 which establishes a shared vision to work together in close cooperation to progress Samoa's vision for "improved quality of life for all" as articulated in the SDS 2008-2012. This partnership should see increased levels of assistance over time in pursuit of national objectives. The partnership will support 9amongst other outcomes) private sector development with a focus on agriculture and fisheries sector, working within Samoa's development sector planning processes, including food security measures and promotion of Samoa's competitive advantage in niche agricultural products, including opportunities for value adding. AusAID have agreed to fund a new building complex for the recently established Research and Development Institute of Samoa (RDIS).
Country programme estimate for 2007-2008 is Aus$15.0 million (US$ 13.65 M)

The **Australia Centre for International Agriculture Research** (ACIAR) also provides COUNTRY PROGRAMME ASSISTANCE TO SAMOA in the agriculture, forestry and fisheries sector. There has been a strong emphasis in the ACIAR program on insect pest management (fruit flies, fruit piercing moth, whitefly and aphids), virus indexing of taro as well as biological control of pests and weeds. Projects undertaken have studied forest nutrition and health as well as fisheries

Japan. Assistance Policy is determined at the Japan-Pacific Island Forum Summit Meetings (PALM) last held in Okinawa in May 2006. The Embassy of Japan in Wellington is responsible for bilateral official development assistance in Samoa and the JICA Samoa Office for the implementation of grant aid projects and technical assistance projects. Japan's cooperation programme is agreed following project requests made by the government of Samoa. Focal areas of assistance for Samoa are: education, environment, social and economic infrastructure and income generation projects.

Through the small grants programme, agriculture and fisheries sector can be supported. There is an active Japanese Overseas Cooperation Volunteer (JOCV) and Senior Volunteer (SV) programmes in Samoa. Two volunteers (one JOCV and one SV) are attached to the USP School of Agriculture, and Japan has provided some technical equipment to SOA (livestock feed-mill US$91,000) A JOCV in vegetable production is also attached to MAF.
Estimated annual country programme budget is US$10-15 million.

Peoples Republic of China provides bilateral support to Samoa focused by government requests for assistance. The programme includes training, satellite communications and TV link, sports facilities and other infrastructure. Under the preferential loan scheme Samoa will receive US$42 M for new government buildings in 2008. China will also provide assistance for Agriculture through establishment of a demonstration farm and training (estimated budget US$200,000).

New Zealand: Strategic framework is the JSPS 2006-2010 (refer Australia above). NZ takes a leading role in private sector and tourism, civil society and community development and health sectors. Core funding support is provided to the NGO Women in Business Development (WIBD) which supports their agriculture activities with rural communities. Under the NZ Government Agencies Fund (GAF), NZ MAF can access funds through this to assist development activities in PICs. MAF (Biosecurity NZ in Wellington) now have a dedicated officer to deal specifically with Pacific Islands cooperation. Activities have included support for pest projects and biosecurity (TA and training). The Pacific Islands Trade and Investment Commission (PITIC), in Auckland receive core funding from NZAID. PITIC are providing TA support to Samoa Ministry Foreign Affairs and Trade to draft an export strategy.
NZ is also providing core funding to Samoa's Small Business Enterprise Centre (SBEC) which provides business training and mentoring in all economic sectors.
NZAID's 2007/08 assistance to Samoa totals NZ$10 million (US$7.97 M)
Multilateral Partners:

Asian Development Bank (ADB). The COUNTRY STRATEGY PROGRAMME UPDATE (CSPU 2005-2006) and the Country Operations Business Plan 2007-2009 provide the strategic and operational framework for ADB's activities in Samoa. A new Country Partnership Strategy (CPS) 2008-2012 is being finalized and scheduled for approval in 2008. The strategy aims are to: enhance access to and quality of basic social services; and improve the environment for the private sector. Focal sectors for activity are: power; water, sanitation, and drainage; private sector development; education. TA support is also being provided for promoting economic use of customary land and for strategic planning (development of the SDS 2008-2012). ADB has also funded a microfinance scheme (to assist enterprise development), implemented first through the NGO WIBDI and subsequently by the SBEC. They have also supported a small business loans guarantee scheme through a small business development project.

Asian Development Fund (ADF) lending allocation for 2007-2008 has been set at US$26.33 million. Additionally an unused balance of US$26.89 million from 2005-2006

ADF allocations to Samoa could be carried over. Non-lending products and services (primarily TA) managed by ADB for 2007-2009 are estimated at US$4,850 million.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus is improved public health through support for a water sector programme. A Micro-project programme also provides support to multi-sector (including agriculture) community development projects and NGO capacity. EU support also includes activities of the European Investment Bank (EIB) which is a principal provider of risk capital to the Samoa Development Bank for on-lending and to the Samoa Venture Capital Fund.

EDF 9 assistance to Samoa totaled €27.1 M (US$39.7 M). EDF 10 assistance includes €30 M programmable funds (envelope A) and €1.3 M accessible contingent funds (envelope B). €25.5 M of the A allocation will be delivered through budget support for the water sector. The balance of €4.5 M will provide for another micro-project programme (project support) and for a technical assistance facility. Samoa has a small balance (approx. US$400,000) of STABEX funds which should be programmed for the agriculture sector.

Commonwealth Secretariat: Technical assistance to small states is mainly in the form of advocacy, policy advice and support for national and regional capacity building. Attention is on supporting adjustments to changes in global trade and investment environment. Assistance to small states is largely determined by mandates from governments. Samoa receives technical assistance for legal drafting and preparation of a national export strategy.

UN Agencies: FAO, UNDP, UNEP, UNESCO, WHO, and WMO have representational posts and country programme activities in Samoa. FAO is supporting a project to strengthen the capacity of the newly established Research and Development Institute of Samoa (RDIS) to conduct post harvest research on horticultural produce with the aim to enhance the quality of fresh produce along the food chain from the farm to the consumer. FAO is also providing support for a feasibility study exploring potential of selected agricultural-based crops as alternative sources of biofuel.

World Bank: The framework for assistance is the Pacific Regional Strategy 2006-2009. The programme combines lending, technical assistance and analytical work. The programme focuses on support for the government's reform programme, infrastructure asset management and telecommunications and postal sector.
Samoa's indicative IDA14 allocation over FY2006-08 is US$11.85 million.

NGOs
Oxfam NZ provides funding of SAT$400,000 (US$167,000) a year on annual agreed work programme to local NGO, Women in Business Development Inc.(WIBD) supporting a range of community-based projects in rural areas aimed at alleviating poverty, creating sustainable village economies and revitalising the agricultural sector.

The main focus is on income generating activities at village level through support for organic production and certification, fair trade and value adding for improved market access

Conservation International (information still to be obtained**)**

Multilateral Development Facilities

Global Environment Facility: Samoa has 2 projects being implemented under GEF co-financing and actively participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) having prepared proposals for 5 projects for GEF Council approval in April 2008 and implementation in 2008/9. The priority areas for inclusion are: Invasive species management, terrestrial/forestry protected area management; adaptation to climate change; energy efficiency programmes, Integrated water resource and wastewater management; Integrated management of solid and hazardous wastes and POPs and support to POPs monitoring.

INTEGRATED FRAMEWORK FOR TRADE RELATED ASSISTANCE TO LEAST DEVELOPED COUNTRIES Samoa's technical review for assistance was approved late 2006. A Diagnostic Trade Integration Study (DTIS) is being planned with a view to submitting a request for support under Window 11. The implementing agency for this assistance in Samoa is UNDP. The maximum funding available for the DTIS is US$300,000 and the maximum indicative funding available for a full project support under Window 11 is US$ 1M.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Chicken Permaculture Project	FAO, RPFS[48]	MAF	To upgrade the village chicken farming system into a permaculture system.	01/01/05-31/12/08	31,370
Integrated Sheep Farming Project	FAO, RPFS	MAF	To integrate sheep farming into the traditional farming system of Samoa	01/09/04-31/12/08	135,329
Feasibility Study Biofuel TA	FAO TCP	EPC	Potential of selected agricultural-based crops as sources of biofuel in Samoa	5 weeks March/April 2008	48,277
Improving Value and Marketability of Coconut Wood Project Sub-regional Project	Aus/ACIAR	MAF & Strickland Bros. Ltd SPC Department Forests Fiji	Develop manufacturing of coconut wood flooring for international markets	01/05/07-30/04/2010	474,000
Integrated Pest Management in Sustainable Production System for Brassica Sub-regional Project	Aus/ACIAR	MAF SPC Queensland DPI & F	Develop integrated pest management package for diamondback month	01/07/05-30/06/2010	527,625
Evaluation of the Impact of Dasheen Mosaic Virus on and other Viruses on Taro Yield sub-regional Project	Aus/ACIAR	SPC USP MAF, Fiji	Evaluate yield gains from using virus-free planting materials including cost-benefit analysis.	01/06/07-31/05/2010	136,258
Demonstration Farm	China	MAF	Establish demonstration and training farm for vegetable production/integrated livestock and biogas	Pipeline 2008	200,000
Samoa Agroforestry Project (SAP)	AusAID	MNRE	Support agroforestry land management, rural income generation and value adding industry	for Decision /08 ?	4,550,000
Infrastructure Project Fisheries Project	JICA JICA	 MAF	Rural ports for Alia fishing vessels Community coastal near shore fisheries development	Pipeline Pipeline	1,500,000 700,000
Micro-projects	EU	MF	Support to community projects including agriculture	1998-2009	13,860,000

[48] Donor Government of Italy (Trust Fund)

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget
Programme support to WIBDI	Oxfam	WIBDI	To develop organic farming and fair trade certification to niche value products for export	annual	167,000
Diagnostic (DTIS) Capacity building / Window 1 TA	IFTF LDCs	UNDP/MFAT	To boost Samoa's trade capacity, better react to market opportunities, and work towards full integration into the multilateral trading system.	2008-2009	285,714 38,000
Capacity building TA	WTO	MFAT	Support for WHO accession process –awareness on AoA	ongoing	
Legislation review TA	Commonwealth Sec.	MFAT/Attorney General's Office	Legislation drafting for compatibility with WTO		
TA	Commonwealth Sec.	MFAT	Drafting export strategy	On-going	80,000

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Training	WHO	WHO/MoH	2 Refresher courses food safety	Q4 2008	5,600
TA	WHO	WHO consultant	Develop restaurant grading system	Q4 2008	13,400
Improved Nutrition Capacity Building	WHO	WHO/MoH	Nutrition guidelines, poster printing,, school canteen audits, evidence-based interventions for anaemia	2008	20,000
Training Attachment	WHO		Water quality	Q2 2008	7000
Scholarships	WHO		Public Health Nutrition/Environmental Health	Pipeline 2009	64,000
TA (Health SWAp) Pooled Funding	WB	MoF, MoH	Review Nutrition Policy		24,000
Water resources SWAp (programme support)	EU	MoF, MoH, MNRE, SWA	Water sector support programme	2005-2010	29,500,000
Water resources SWAp (budget support)	EU	MoF, MoH, MNRE, SWA	Water sector support programme phase 2	Pipeline 2009-2013	35,340,000
Sanitation and Drainage Project	ADB				

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Land Rehabilitation Project	Govt. Venezuela NZAID	MNRE	Vaitele-uta quarry rehabilitation	2008-2009	90,000 50,000
Sustainable Land Management Project	GEF	UNDP/MNRE	Combating land degradation	2008-2012	500,000
National Parks Project	Japan/JICA	MNRE	Develop sustainable management plans	2008-2011	300,000
Conservation Forests Programme	GEF-PAS[49]	FAO/MNRE/MAF?	Conservation of forest resources on Savaii	Pipeline 2009-2012	1,600,000
Biodiversity Conservation Project	Conservation International (CI)	MNRE	Invasive species control Mt. V	2008-2010	100,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Adaptation Project	GEF SCC[50]	UNDP/MNRE	Adaptation, including health, agriculture (food security), disaster preparedness , coastal ecosystem resilience	Planning 2008 Implementation 2009-2012	2,000,000
Mitigation Programme	Govt. Italy	MNRE	Transportation sector	Pipeline 2009-2012	700,000
Mitigation Programme	GEF-PAS	ADB/MNRE, EPC, RDIS, MWTI	Greenhouse gas abatement through energy efficiency and biofuel applications in the electricity sector	Planning 2008 Implementation 2009-2012	1,500,000
Pollution, CC Mitigation Programme	GEF-PAS	UNDP,FAO/MNRE	Sustainable Management of Chemical and Carbon Releases in the Tourism Sector	Pipeline 2009	1,6000,000
Cyclone Emergency Recovery Project	WB (IDA) Grant	MNRE, MoF, MWTI	Recovered and improved resilience against natural hazards of the infrastructure assets, livelihood of inhabitants and coastal eco-systems post Cyclone Heta	Ongoing?	333,000

[49] GEF Pacific Alliance foe Sustainability Programme

[50] Special Climate Change Fund

Acronyms

National agencies

MNRE Ministry of Natural Resources & Environment
MAF Ministry of Agriculture & Fisheries
MWTI Ministry of Work, Transport & Infrastructure
Mo F Ministry of Finance
MoH Ministry of Health
MFAT Ministry Foreign Affairs and Trade
EPC Electric Power Corporation
RDIS Research & Development Institute of Samoa
SWA Samoa Water Authority
DMO Disaster Management Organisation

NGO

WIBDI Women in Business Development Incorporated

Samoa Proposed Projects for the FSSLP

	COMPONENT 1	**Estimated Cost US $**
1	Sheep Farming Development	200,000
2	Fish Aggregating Devices (FAD)	180,000
3	Coconut Product Diversification	288,250
4	Organic Farming Capacity Building	137,000
	Sub-total	***805,250***
	COMPONENT III	
1	Abbattoir	1,500,000
2	High Temperature Forced Air Treatment Plant	1,000,000
3	Hatchery – Fisheries	250,000
4	Tissue Culture And Research Laboratory Upgrade	200,000
5	Quarantine X-Ray Machine	500,000
	Sub-total	***3,450,000***
	TOTAL	**4,255,250**

Country Overview:

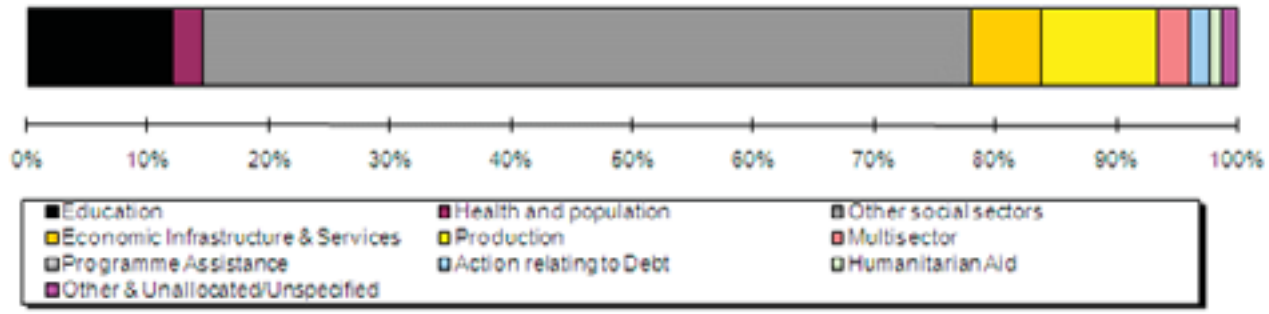
Solomon Islands

Receipts	2004	2005	2006
Net ODA (USD million)	121	198	205
Bilateral share (gross ODA)	95%	86%	87%
Net ODA / GNI	45.5%	66.5%	60.6%
Net Private flows (USD million)	3	- 17	10

For reference	2004	2005	2006
Population (million)	0.5	0.5	0.5
GNI per capita (Atlas USD)	590	620	680

Top Ten Donors of gross ODA (2005-06 average)		(USD m)
1	Australia	145
2	EC	22
3	Japan	14
4	New Zealand	14
5	AsDF	4
6	Netherlands	2
7	UNTA	1
8	IDA	1
9	Canada	0
10	Korea	0

Bilateral ODA by Sector (2005-06)



Sources: OECD, World Bank.

National Development Framework: A new Policy Framework Document was issued in May 2006, and reflected in a Policy Transition & Implementation Document (dated August 2006). These documents represent a comprehensive review and proposals aimed at improving rural livelihood and employment. The government has a clear direction towards rural development through a "bottom up" and holistic approach. Preparation of these documents involved limited consultation with development partners.

With assistance from World Bank, Australia and the EU, the government has prepared an AGRICULTURAL RURAL DEVELOPMENT STRATEGY (ARDS, April, 2007) which provides a broad framework for support to rural growth and employment generation, focusing on three priorities:

- Improving local governance and service delivery
- Local economic development and inclusive growth
- Sustainable management of natural resources for the benefit of Solomon Islanders.

A Rural Development Programme which commences implementation in 2008 will support many of the elements of the ARDS. Donors are proposing a working group to facilitate coordination in the implementation of the RDP. There is scope for increased donor-led coordination in the sector.

Development Partners Active in Country:
Official development assistance to the Solomon Islands is substantial and has a major impact on budget planning and development. Aid flows have increased sharply since RAMSI's intervention. This poses a challenge to government and partners alike in ensuring coordinated and productive use of these resources. The development budget is entirely composed of donor funds, which are nearly all in the form of grants.

Solomon Islands is listed by UN as a Least Developed Country and is eligible for specific development assistance available to LDCs

Bilateral Partners:

Australia. The PACIFIC REGIONAL AID STRATEGY 2004-2009 provides an overarching framework for assistance to Pacific countries that focuses on encouraging growth, providing support for good governance, improving law, justice and security and enhancing government capacity to deliver basic services. Since July 2003 Australia has provided development assistance to Solomon Islands through the Regional Assistance Mission to Solomon Islands (RAMSI) and a program of bilateral development assistance. The transitional COUNTRY STRATEGY DOCUMENT (2006 to mid-2007) has provided a framework for the assistance administered by AusAID and delivered through RAMSI and the bilateral program. The transitional strategy also reflects the shift in Australia's assistance from stabilisation, following four years of tensions, to longer term institutional strengthening and peace building. A longer term strategy (2008-2012) for Australia's assistance is being developed with Solomon Island's government.

Australia's bilateral programme is working closely with the agriculture sector and building linkages between communities and provincial government. It is also providing capacity building support with the Forestry Division and lands ministry to better manage natural resources. The National Disaster Management office is being strengthened to improve disaster preparedness and humanitarian assistance. Australia, with NZAID and the Asian Development Bank has begun a programme of road rehabilitation across SI to improve access to markets and services for isolated communities. This will support projects to improve agriculture production and convey market information to producers. Australia has a significant Community Sector Programme (CSP) which aims at improving rural livelihoods through provision of grants and associated support at the community level. The CSP operates through a trust fund with an annual allocation which is split between all provinces.

A Transitional Support to Agriculture Project (TSAP 2006-2009) is being implemented with funding from RAMSI. The project takes strategic focus for activities from the Solomon Islands Smallholder Agriculture Study[51]. Assistance under current TSAP arrangements is comprised of project activities of varied duration and budget. The five focal areas for activities are: Improving food security through enhanced subsistence food production; Increasing marketing of fresh food for the domestic market, including food processed at village level; Increasing production of the existing cash crops of copra, virgin coconut oil, cocoa, chili and vanilla; Increasing production of animals for subsistence use and domestic markets, particularly pigs, poultry, cattle and honeybees; Diversifying cash crops in the medium to long term, through the sale of indigenous edible nuts (such as ngali and cutnut), and commercial development of non-timber products from indigenous species.. Implementation will maintain a focus on core projects in these areas, however emerging concepts and possible early start-up activities[52] under RDP will be developed to a concept stage for consideration with other donor partners involved in development of the RDP. Current ongoing projects under TSAP include: *Improved Root Crops; Fruit and Nut Tree Propagation; Sustainable Livelihoods in Remote Areas Project (SLIRAP); Production and Marketing of Quality Vanilla*. With four more projects in the pipeline: *Increasing Peanut Productivity in Solomon Islands; Increased Production of Quality Cocoa in Solomon Islands; Increased Pig Production for the Domestic Market and Agricultural Products Value Chain Improvement (incorporating MIS)* which will be implemented under the umbrella of the RDP.

Estimated Australian country programme assistance for 2007-2008 is Aus$95.4 million (US$ M) comprising RAMSI Aus$67.4 million and bilateral expenditure Aus$28 million.

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[51] Bourke, R.M., McGregor, A., Allen, M.G., Evans, B.R., Mullen, B.F., Pollard, A.A., Wairui, M., and Zotalis, S. (2006). Solomon Islands Smallholder Agriculture Study.

[52] One potential early start-up activity is support to the re-establishment of quarantine – included within the original TSAP PDD. Peer Review did not approve implementation of this project under TSAP due to the impending RDP and likely support within this program for core state functions in the Agriculture sector. The RDP identification mission in August 2006 has highlighted quarantine as an area for support, and a project facilitating its immediate start could be established under TSAP for transition into RDP.

The **Australia Centre for International Agriculture Research** (ACIAR) also provides COUNTRY PROGRAMME ASSISTANCE TO SOLOMON ISLANDS in the agriculture, forestry and fisheries sector. ACIAR has a significant number of completed projects in the Solomon Islands, covering culture of a range of coral reef species, marine protected areas, stock assessment and fisheries management policy; farming systems economics; production and diseases of root crops; insect pests; biological control of pests; and forest tree nutrition.

The programme has had a strong fisheries emphasis, including economic and technical research to support the development of sustainable livelihood opportunities based on the culture of coral reef animals. Much of the latter has been underpinned by partnership with the WorldFish Centre, which maintains an active research facility in the Solomon Islands. This centre was damaged in the 2007 Tsunami, but ACIAR retains its commitment to collaboration with WorldFish in the country. ACIAR 's work is strongly focused on activities that will quickly contribute to enhanced smallholder income generation.

Japan. Provides aid to rural communities through its Grass Roots projects which include support to NGO's (i.e. Kastom Garden Association's training centre) and a permaculture training centre on Malaita. The government of Japan also is providing significant large infrastructure projects (Honiara International Airport development, bridges, wharves, roads, power supply etc.) and support for school and health building upgrades and water facilities.

New Zealand: In partnership with the ADB and AusAID, NZAID is contributing US$17 million to reconstruct rural roads and bridges across the Solomon Islands. The aim is to reconnect people to markets and social services. The support is assistance to the implementation of the National Transport Plan. NZAID provides organisational strengthening support to the Ministry of Fisheries and Marine Resources (SIMROS) to strengthen sustainable management of fisheries resources and aquaculture. NZAID also supports a range of livelihoods and economic growth projects aimed at improving income such as: a Small Business Enterprise Centre; WorldFish Sustainable Marine Livelihoods project, which develops aquaculture products for international markets; and World Vision projects in Temotu, Makira and Weathercoast which support livelihoods and food security and support to the honeybee industry.

NZAID's 2007/08 assistance to Solomon Islands totals NZ$30.843 million (US$ M)

Taiwan (ROC). Provides significant support to Solomon Islands based on government requests through the Prime Minister's department. The support includes infrastructure projects (provincial offices reconstruction, provincial airfields development, rural roads, provincial shipping and port handling equipment) ROC also provide a constituency fund of SI $50 M per year which is shared between all MPs for work in their constituencies. Direct support is provided to DAL for their work programme activities which includes for 2008, smallholder cocoa and coconut rehabilitation (SI$3 M), development of exotic crops such as kava (SI$3 M) coffee development (SI$1 M), and vanilla (SI$0.3 M). ROC has been supporting rice development over the last 10 years with an annual budget of

SI$1.5 M. In 2008 two commercial rice farms will be developed, one of 300 ha to be managed by ROC technical staff and one of 500 ha to be managed by a private business interest. It is proposed that the profits generated from the ROC farm will be used for further development activities. The budget for these rice projects is SI$31 M. ROC is also providing SI$25 M for import of breeding cattle. Agricultural technical support is also provided through a demonstration farm for vegetable production, and a pig breed improvement activity. ROC is also supporting reforestation by the establishment of a reforestation division to operate over the entire country (SI$ 8 M).

Multilateral Partners:

Asian Development Bank (ADB). The COUNTRY STRATEGY PROGRAMME UPDATE (CSPU 2007-2009) and the Country Operations Business Plan 2008-2010 provide the strategic and operational framework for ADB's activities in Solomon Islands. ADB will continue its focused strategy and program, and seek to maximize impact in two priority areas: transportation infrastructure and services, and the enabling business environment. Capacity development and the promotion of good governance remain cross-cutting priorities. Taking into account the public debt situation, and in line with prudent government policy commitments, ADB will not provide new lending to Solomon Islands until the debt situation further stabilizes.

ADB has committed substantial support to the country in response to a strong earthquake (8.1 on the Richter scale) and consequent tsunami on 2 April 2007. To support recovery and rehabilitation of the affected areas, ADB will provide assistance in the form of disaster risk management advisory support to the Government and rehabilitation of damaged infrastructure, which are to be accommodated within existing projects and a new Asian Development Fund (ADF) grant-funded emergency project. The disaster response is being designed and implemented in line with ADB's *Disaster and Emergency Assistance Policy*.

The total indicative biennial ADF allocation 2007–2008 for Solomon Islands is US$13.53 million; of this amount, US$4.95 million has been approved for the 2007 Emergency Assistance Project, leaving US$8.58 million for investment in 2008. For planning purposes, the biennial allocation for 2009–2010 has been set at US$10 million.

ADB is a lead donor in infrastructure, particularly in transportation infrastructure and in the overall coordination of tsunami-related infrastructure reconstruction and rehabilitation. ADB will continue to focus its investments on transport infrastructure. ADF grant-funded investment projects have been programmed for 2008 (Domestic Maritime Support Project, US$8.58 million) and 2010 (Rural Transport Infrastructure Project, US$10 million), respectively. Subject to availability of core TA resources, ADB will provide selected TA support, at an indicative average of US$1.1 million per annum during 2008–2010, as follows: in 2008, advisory TA for the Establishment of the Solomon Islands Maritime Authority, leveraging on the proposed 2008 ADF grant; in 2009, advisory TA for Improving Business Environment, and TA for Preparing Rural

Transport Infrastructure Project as proposed for 2010; and in 2010, advisory TA for Supporting Rural Transport Infrastructure Development.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus is sustainable rural development with attention to capacity building for rural development EDF 9 assistance to Solomon Islands totaled €22.09 M. EDF 10 assistance includes €13.2 M programmable funds (envelope A) and €3.3 M accessible contingent funds (envelope B). €11.22 M of the A allocation will be devoted to the focal sector which will be fully consistent with the ARDS, and will support the second phase of the Solomon Islands Rural Development Programme (RDP) due to be implemented over the period 2008-2011.. The first phase of the RDP is jointly funded by the EU (STABEX funds up to end of 2010), AusAID and WB. EU also supports the rural sector through a micro-projects programme and a seaweed project. The Micro Projects Programme Phase 2 (€ 5.7 million, 2005-2009) provides for social infrastructure in rural areas and also assists groups of entrepreneurs through support to nascent farmer groups in technical, management and marketing skills. EU also provides support to the transport sector and marine infrastructure project. SI has significant resources still available under STABEX (approx €82.1 M) which will be used to support sustainable rural development, capacity building and the education sector (including TVET). Projects being supported include sustainable plantation forestry, forest conservation and agriculture and marine resources development. The plantation forestry project includes support to Kolombangara Forestry Products Ltd., in a joint public/private partnership with the European Investment Bank and SIG. The support to the forestry sector will include a feasibility study for the introduction of FLEGT. The marine resources development supports establishment of a competent authority with required capacity and laboratories for the SI to reach EU list 1 status health standards. In addition, diversification into seaweed production and export is supported. EU is also supporting the Marine Infrastructure Project II (€8 million, 2006-2009) to encourage operation of shipping on inter-island routes making improved transport facilities available for rural dwellers and increasing market opportunities. The project will construct and repair seven wharves, install navigation aids and study for further needs.

Activities to be supported under the 10th EDF will be identified and agreed as part of the formulation process. Support will be provided preferably through a sector wide approach to sustainable rural development, supplementing ongoing and forthcoming interventions in agriculture and rural development, forestry, fisheries, and transportation.

A bilateral EC-SI Fisheries Partnership Agreement was signed in October 2006 which provides the country with an annual financial contribution of €0.4 M.

World Bank: The World Bank's engagement in the Pacific Islands has been guided by its REGIONAL PACIFIC ENGAGEMENT FRAMEWORK FOR 2006-2009. The aim of the Regional Pacific Engagement Framework is to help addressing the issues of rising hardship and

youth unemployment by creating an environment conducive to generating economic growth and employment opportunities for Pacific Islanders, working in cooperation with other development partners in the region. The Pacific Engagement Framework identifies two major strategic priorities at regional level as regards rural development and natural resources management: safeguarding service delivery by improving resilience to natural hazards; and, enhancing sustainable revenues from resource-based sectors. Although not specifically identified at regional level, agricultural and rural development forms the third possible cluster of activities in the Pacific, especially in agrarian societies in Melanesia (Solomon Islands and Vanuatu, both IDA countries) and Fiji (IBRD). World Bank supported the development of the ARDS and is supporting the implementation of the RDP (US$3.2 M).

The Solomon Islands is eligible for indicative IDA resources, expected to be grants under IDA14 – the allocation over FY2006-2008 is expected to be SDR 5.3 million (US$ M).

WORLDFISH CENTER assists Pacific islanders to maintain or increase the productivity of their inshore and freshwater fisheries on a sustainable basis, leading to better food security and opportunities to earn more income. The Center is working in partnership with regional agencies, national governments, scientific institutions, NGOs and local communities to develop small-scale aquaculture technologies and to improve the sustainability and profitability of fishery resources. The WorldFish Center has office and laboratory facilities in Solomon Islands and works in projects on restocking sea cucumbers, culture of blacklip pearl oyster and capture and culture farming for the aquarium trade.

NGOs

Kastom Garden Association (KGA) is currently undergoing a restructuring of the organization which should enable it to respond to adopting a programme approach as opposed to a project approach. KGA has had support from several donors and is currently implementing 2 Australian funded smallholder projects; Improved Root Crops (TSAP) and Sustainable Livelihoods in Remote Communities Project (SLIRAP) which aims to improve food security through distribution of improved planting materials and development of small enterprises in local agro-processing. A new Coordinator position in KGA is being funded through the Australian Community Support Project. A further phase of support for the smallholder projects is being developed with TSAP.

Oxfam Australia is working to ensure people have enough food for an active and healthy life, encouraging sustainable resource management and addressing the root causes of conflict in communities to build lasting peace. They support the Young Farmers' Program which aims to provide young men and women in Malaita, Choiseul, Guadalcanal and Western provinces with viable livelihoods as an alternative to urban migration. Kastom Gaden Association (KGA) is their local partner in this endeavour, managing the project at the local level by providing village-based livelihood training.

They also support the Solomon Islands Forestry Program, which is implemented by the Environmental Concerns Action Network of Solomon Islands (ECANSI). This project provides communities threatened by commercial logging with information on the legal processes that need to be followed by companies or landowners who want to log. The project also develops forestry action plans with communities that decide not to pursue commercial logging.

World Vision is supporting three livelihood projects on the Weather Coast with the aim of strengthening food security.

Multilateral Development Facilities

GLOBAL ENVIRONMENT FACILITY: Solomon Islands has 4 national projects implemented under GEF co-financing and actively participates in the GEF Pacific Alliance for Sustainability Programme (GEF-PAS) with priorities for proposals in community-based marine resources and fisheries management (Coral Triangle Initiative), building resilience to climate change (PACC); Regional renewable energy, Integrated water resource and wastewater management; and support to monitoring POPs.

INTEGRATED FRAMEWORK FOR TRADE RELATED ASSISTANCE TO LEAST DEVELOPED COUNTRIES A technical review has recently been endorsed and a pre-mission was held in October/November 2007**.** The Diagnostic Trade Integration Study (DTIS) team has been recruited and the study should commence May 2008. The maximum indicative funding available for a full project support under the enhanced Window II is US$3 to 4 million.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Improving Sustainability and Profitability of Village Sea Cucumber Fisheries in SI	ACIAR	Dept Fisheries and Marine Resources, WorldFish Center	To develop a community-based approach to manage sea cucumber fisheries	2006-2008	376,000
Improved Plant Protection Project	ACIAR	SPC, Kastom Garden Association (KGA), Vois Blong Mere, MAL	To develop integrated pest management for major crops and training fro communities and government staff	2005-2008	346,450
Control of Asian Honeybees project	ACIAR	MAL, NSW Dept Primary Industries, Honey Producers' Cooperative Association, SI	To develop and implement a method for suppressing feral *Apis cerana* populations on Guadalcanal and Savo Islands.	2007-2010	321,854
Integrated Crop Management packages for Sustainable Smallholder Gardens Project	ACIAR	MAL, Don Bosco Technical Institute Rural training Center, Kastom Garden Association, Vois Blong Mere, Farmset Ltd. PNG, NSW DPI	To improve and increase vegetable production by addressing technological, informational, and skill needs of smallholder vegetable farmers	2007-2011	693,158
The use of Pathogen Tested Planting Materials to Improve Sustainable Sweet Potato Production	ACIAR	Queensland DPI, NARI PNG, MAL, Kastom Garden Association	To describe and evaluate sweet potato seed supply systems, introduce and evaluate improved varieties, disseminate technologies for improved supply systems of sweet potato seed for smallholders	2006-2010	798,757
Screening and Field Trials of High-Carotenoid Sweet Potatoes to Improve Human Vitamin A Status Project	ACIAR	International Potato Center, Indonesia, Kastom Garden Association, NARI PNG, DAL	To survey promising coloured SI and PNG sweet potato cultivars for carotenoids	2007-2010	123,140

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Forestry Management Project Phase 2	AusAID	MFEC	To support landowners and communities to help them manage the impacts and benefits of logging. The project supports community reforestation programmes fostering a long-term commercially viable, sustainably managed forest sector	2004-2008	7,050,000
Sustainable Forestry/Conservation Project	EU STABEX	MFEC	To move towards the sustainable and certifiable production of logs and timber products (both from natural forests and plantation forests) and increased conservation of natural forest resources	2007-2010	6,930,000
Sustainable Plantation Forestry Project	EU/STABEX	MFEC, EIB, Kolombangara Forest Products Ltd (KFPL)	To contribute to a multi-party package with the European Investment Bank and a new majority shareholder in KFPL, to place KFPL on a financially sustainable basis. This will support replanting programmes and trials.	2007-2010	6,776,000
Commercialisation of Seaweed Production Project	EU STABEX	Department of Fisheries and Marine Resources	To establish a commercially sustainable seaweed farming industry to benefit rural coastal communities, small business enterprises and private sector export companies.	2005-2008	1,128,000
Micro Projects Programme Phase 2	EU	Department of Planning and Aid Coordination	To provide rural communities with greater access to improved social services and to sources of cash income	2005-2008	5,358,000
Community Sector Programme.	Australia RAMSI	Several NGOs, service providers and church groups.	To build capacity and self-reliance within communities, civil society organizations and service producers. It aims also to increase food security and access to income generating opportunities.	2005-2010	30,080,000 (established trust fund)

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Rural Development Sector Programme Phase 1	WB EU AusAID	National and provincial governments	To provide annual financing grants for rural communities to rehabilitate upgrade or expand community facilities and infrastructure, such as market access roads, water supply and sanitation, or storage facilities. To support restoration of agricultural services. To improve production and marketing of key products and goods such as pigs, cocoa, fresh fruit and vegetables for local markets. To provide business skills training for SME's	2007-20011	3,200,000 16,324,000 6,000,000
Searem Niu Plant Long Gaden (Improved Root Crops Project)	RAMSI/ TSAP	KGA	The project will introduce and distribute high potential root crop varieties of sweet potato, African yam and cassava, assist farmers (women's groups) access these new varieties for evaluation, and support partners to establish active field root crop gene banks.	2006-2009	636,662
Fruit and Nut Tree Propagation and Distribution Project	RAMSI/ TSAP	MAL	The project aims to sustainably increase smallholder access to quality fruit and indigenous nut tree planting materials through a network of commercially managed propagation centers able to generate fruit and nut tree crop seedlings for on-sale to farmers.	2008-2011	578,100
Sustainable Livelihoods in Remote Areas Project (SLIRAP)	RAMSI/ TSAP	KGA	To assist village-level food processing for the domestic market		387,647

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Production and Marketing of Quality Vanilla Project	RAMSI/TSAP	Community Sector Programme (CSP)	The project aims to put in place a significant vanilla export industry based on premium quality within five years. It expects to engage key regional expertise with good experience in the business of production and marketing of vanilla for the provision of periodic technical advisory services.	2007-2010	
Increasing Peanut Productivity in Solomon Islands Project	RAMSI/TSAP	MALD/KGA/Private Sector		pipeline	282,000
Increased Production of Quality Cocoa in Solomon Islands Project	RAMSI/TSAP			pipeline	1,128,000
Increased Pig Production for the Domestic Market Project	RAMSI/TSAP	MAL	To promote widespread adoption of better feeding and husbandry practices to raise the productivity of subsistence pigs.	Pipeline 2008	705,000
Agricultural Products Value Chain Improvement (incorporating MIS) Project	RAMSI/TSAP?	Implemented under RDP Private sector	To address common product supply chain issues and constraints.	Pipeline 2008	1,880,000
Import of breeding cattle	ROC	MAL	To improve livestock herd		3,500,000
Rice projects	ROC	MAL	To improve domestic rice cultivation		3,100,000
Technical Mission	ROC		A demonstration farm for vegetable production, and pig breed improvement.		
Support to Ag/forestry Department's programmes	ROC	MAL, MFEC	Supporting tree crops, and reforestation by the establishment of a reforestation division to operate over the entire country		

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Strengthening the Sanitary Production of Fisheries Products (SSPFP) Project	EU/STABEX	MHMS	To achieve an EU compatible certification and testing for the fishing industry thereby allowing continued access to SI fisheries products to important world markets. Strengthening the SI Competent Authority on the sanitary production of fish products	2005-Dec 2007 A second phase is being considered.	1,425,000
Diagnostic Trade Integration Study TA	Integrated Framework for Trade Related Assistance	UNDP	To diagnose constraints to trade development and define activities to address these under a full project support.	2008	300,000
Marine Infrastructure Project II	EU/STABEX	MID	Enhancing existing dilapidated maritime infrastructural facilities will encourage existing shippers to continue to operate, and other shippers to consider operating on these inter-island routes making improved transport facilities available for rural dwellers and more external market opportunities available for their produce.	2006-2009	12,320,000

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Technical Assistance Food Policy	WHO		To establish a National Policy on food imports and certification.	2008-20009	

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Biodiversity Enabling Activity	GEF	UNEP	To prepare National Biodiversity Action plan and First national Report to the Convention on Biological Diversity		123,000
Capacity Needs Assessment Enabling Activity	GEF		National Capacity Needs Self Assessment (NCSA) for Global Environment Management		225,000
Conservation and natural resource management	UNDP		Develop a mechanism for community-led resource management for biodiversity conservation		

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Climate Change Enabling Activity	GEF	UNDP	Formulation of National Adaptation Programme of Action (NAPA)		200,000

Acronyms

National agencies

MAL Ministry of Agriculture and Livestock
MFEC Ministry of Forestry, Environment and Conservation
MHMS Ministry of Health and Medical Services
MID Ministry of Infrastructure and Development

Solomon Islands Proposed Projects for the FSSLP

	COMPONENT I	**Estimated Cost US $**
1	Breeding Cattle Imports	1,200,000
2	Agriculture Surveillance & Monitoring	170,000
3	Additional Support For Food Processing Facility	100,000
4	Capacity Building For Land-Use Planning	80,000
5	Freshwater Aquaculture Development	75,000
	Sub-total	***1,625,000***
	COMPONENT III (Infrastructure)	
1	Capacity Building for Research and Development including on-farm trials	1,450,000
2	Livestock Feed Mills	850,000
3	Expansion Of Food Lab Plus Training	100,000
4	Slaughter House Facilities	800,000
	Sub-total	***3,200,000***
	TOTAL	**4,825,000**

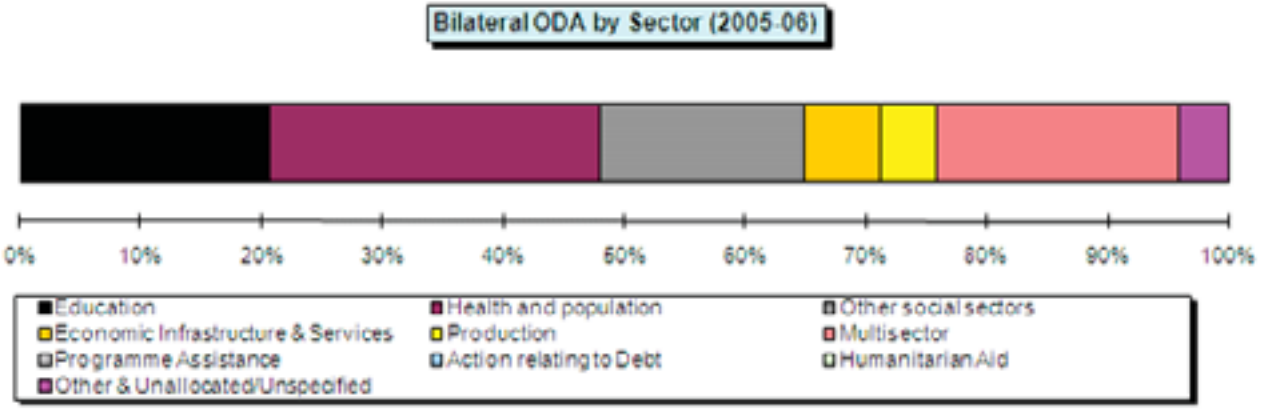
Country Overview:

Tonga

Receipts	2004	2005	2006
Net ODA (USD million)	19	32	21
Bilateral share (gross ODA)	73%	75%	81%
Net ODA / GNI	10.1%	15.0%	9.6%
Net Private flows (USD million)	1	2	2

For reference	2004	2005	2006
Population (million)	0.1	0.1	0.1
GNI per capita (Atlas USD)	1 750	1 970	2 170

Top Ten Donors of gross ODA (2005-06 average)		(USD m)
1	Australia	8
2	Japan	8
3	New Zealand	5
4	IDA	4
5	EC	2
6	United States	1
7	UNTA	1
8	Canada	0
9	Korea	0
10	Denmark	0



Sources: OECD, World Bank.

National Development Framework: The Strategic Development Plan Eight 2006/7–2008/9 (SDP-8) sets the framework for social and economic development in Tonga. Goals of the medium-term development strategy are:

1. a better governance environment
2. macroeconomic stability
3. sustained private sector-led economic growth
4. equitable distribution of the benefits of growth
5. improved education standards
6. improved health standards
7. environmental sustainability and disaster risk reduction
8. maintenance of social cohesion and cultural identity

The riots of November 2006, linked to the pro-democracy political struggle, inflicted severe economic losses on the country, including closing private businesses and extensive damage to urban infrastructure in the capital Nuku'alofa. Development partners and the Government agreed that in the post-riot situation, assistance would continue to be guided by SDP-8, focusing on reconstruction of urban infrastructure, business recovery, and improved fiscal governance.

The Ministry of Agriculture and Food, Forests and Fisheries Corporate Plan 2007/08-2011/12 (revised February 2008) sets the development priorities and initiatives for the next 3 years and lists the key objectives, strategies and development priorities for agriculture and food, forests and fisheries to improve agricultural production and exports and thus, the growth of the economy.
The ten strategies identified are:

- Continue to support food security and promote exports by improving productivity and production of traditional food crops in a sustainable manner by improving access to information, adoption of good agricultural practices, and community-based resource management systems and through project development at the village level initiated through NGOs and District Agricultural Councils to facilitate expansion and diversification of exports and ensure food security.
- Provide essential infrastructures including post – harvest facilities to support commercial and export growth by improving competitiveness of the Tongan produce in the export markets;
- Strengthen research and development into new export and high value crops and agricultural technologies including tree crops with promising market prospects including niche markets.
- Improve fruits and vegetable production and the capacity of the Government HTFA equipment to be able to handle volumes requiring pre-export treatment such as papaya, tomatoes, eggplants; mangoes, breadfruits, chilly etc prior to export.
- Improve marketing and market access through aggressive intelligent marketing research and development including establishment of a Tonga Market Center in Auckland, New Zealand.

- Actively implement research and developments in order to facilitate and accelerate development of agro-processing to create greater value-added for import substitutions and exports.
- Develop and create appropriate agricultural, fisheries and forests policies and legal frameworks including harmonization of Biosecurity Acts and regulations and the Food Safety Standards and Control Acts and legislation to facilitate regional and international trade..
- To improve efficiency and effectiveness of delivery of the core functions of the Ministry to meet the expectations of its stakeholders by continuing to improve the Ministry's management capabilities
- Actively support and facilitate access by the farming and fishing communities and NGO's to donor agencies for possible direct assistance to develop agriculture.
- Dedicated focus on initiating and development of fisheries projects including joint ventures to increase active participation by local fishermen including the communities on the sustainable, development, management, utilization and conservation of our aquatic resources to improve the livelihood of the people of Tonga.

With the assistance of FAO a National Forest Policy and Land Use Policy should be completed soon.

Development Partners Active in Country:

Bilateral Partners:

Australia supports economic and public sector reform, business recovery, anti-corruption initiatives, customs, policing, community development, health system, fisheries and solid waste management. A fisheries management project (2002-2008) is helping the development and management of marine resources. The focus is on remote and disadvantaged communities to help them conserve fish stocks and increase incomes. It also provides strengthening for the Fisheries Department and works with the export fishing industry. The Tonga Community Development Scheme provides up to US$910,000 per year for community projects in rural areas which include the fisheries and agriculture sector.

Country programme estimate for 2007-2008 is Aus$12.0 million (US$ 10.92 M).

The **Australia Centre for International Agriculture Research** (ACIAR) also provides COUNTRY PROGRAMME ASSISTANCE IN TONGA in the agriculture, forestry and fisheries sector. Projects ongoing in 2008 include: improving culture of winged oyster pearl, integrated control of weed and disease and insect pests of squash, local feeds for pig and poultry production.

Peoples Republic of China. Provides bilateral support to Tonga focused by government requests for assistance. ??

Japan. ?

New Zealand: Priority areas of support include education, public sector reform and governance, health (clean water supply), outer island development, community development and private sector development**.**

NZAID's 2007/08 assistance to Tonga totals NZ$11.5 million (US$9.17 M).

Multilateral Partners:

Asian Development Bank (ADB). The COUNTRY PARTNERSHIP STRATEGY 2007-2012 and the Country Operations Business Plan 2007-2009 provide the strategic and operational framework for ADB's activities in Tonga. The focus is infrastructure for urban development; effective and prudent macroeconomic and fiscal management; and private sector development.

ADF indicative allocations for Tonga for 2007–2008 have been set at US$4.45 million. Additionally, an unused balance of US$8.13 million from 2005–2006 ADF allocations for Tonga could be carried over. For 2007–2009, an Integrated Urban Development Project (IUDP) has been included in the assistance program for Tonga for US$11.32 million, including US$5.03 million in grants. The project will address specific urban needs of the country's capital island of Tongatapu, including high priority physical components in the road, drainage, and sanitation sectors. ADB is considering indicative annual technical assistance (TA) support for 2007–2009 at around $900,000.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus for the 10th EDF is renewable energy. Assistance includes €5.9 M programmable funds (envelope A) and €0.9 M accessible contingent funds (envelope B). €5.0 M of the A allocation will be used to support the energy sector (implemented under the multi-country approach) and the balance for a Technical Cooperation Facility.

Tonga has a balance of €2.5 M STABEX resources which will fund projects to strengthen vanilla and kava exports, as well as projects in fisheries and forestry and programmes to diversify the exports, including measures to meet quarantine and phyto-sanitary standards.

World Bank: The framework for assistance is the Pacific Regional Strategy 2006-2009. The programme combines lending, technical assistance and analytical work. The programme focuses on support for the health, education, transport sector reform, private sector enabling environment and hazard management.

Tonga's indicative IDA14 allocation over FY2006-08 is US$5.37 million.

UN Agencies: FAO's country programme in Tonga includes assistance for the formulation of a National Forest Policy and for a Land Use Policy, and TCP support for ecologically-based management of rodents in agro-ecosystems. Under the RPFS a sheep farming development project is ongoing

Multilateral Development Facilities

Global Environment Facility: Tonga has 4 ? projects being implemented under GEF co-financing and participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with priority areas for proposals in: Invasive species management; Integrated island and community-based biodiversity conservation; Building resilience to climate change; Climate mitigation (Promoting energy efficiency), Integrated water resource and waste water management; and Integrated solid waste management (POPs). Total national GEF project approvals to date amount toUS$1.354 million.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
TA Policy Formulation	FAO TCPF	MAFFF	Assistance in formulation of Land Use Policy	Pipeline 2008	56,898
TA Policy Formulation	FAO TCP	MAFFF	Formulation of National Forest Policy	Ongoing 2008	166,000
TCP Pest Management Project	FAO TCP	MAFFF	Ecologically-based management of rodents in agro-ecosystems	2008-2009	310,000
Winged Oyster Pearl Industry Development Research Project	ACIAR	MAFFF, SPC	Development of appropriate hatchery culture techniques	2007-2009	149,574
Integrated Disease, Weed and Pest Management in Squash Research Project	ACIAR	MAFFF, SPC	Research to deliver improved management of powdery mildew, weeds (virus hosts), and silver whitefly.	2005-2008	455,029
Animal Feed Training Project	ACIAR	MAFFF, MCEYS, Tupou College	Training/extension of feeding systems from local materials for pigs and poultry	2007-2008	110,736
Kava Development Project	EU/STABEX	MAFFF		2008-2010	322,696
Vegetable Production Research Project	EU/STABEX	MAFFF	Trials for off-season production of vegetables under screen-houses	2008-2010	58,672
Support to Regional Farmer Councils	EU/STABEX	MAFFF		2008-2010	117,344
Up-Grade Quarantine Office	EU/STABEX	MAFFF		2008-2010	352,032
Post Harvest Infrastructure	EU/STABEX	MAFFF	Blast freezing and cooling & packaging facilities	2008-2010	164,282
Market Infrastructure	EU/STABEX	MAFFF	Renovation/upgrading of Tu'imatamoana Market and ice making machine	2008-2010	249,709
Fisheries Infrastructure	EU/STABEX	MAFFF	Slipway for fisheries wharf	2008-2010	228,820
Natural Cattle Project	EU/STABEX	MAFFF	Cattle AI	2008-2010	70,406
Small Livestock Pilot Projects	EU/STABEX	MAFFF	Piggery and Ducks improvement project	2008-2010	95,780
Livestock Feed Project	EU/STABEX	MAFFF	Livestock feed/agricultural cropping development project	2008-2010	88,008

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Equipment	EU/STABEX	MAFFF	Pasteurizing Machine - Toloa	2008-2010	88,008
Equipment	EU/STABEX	MAFFF	Food Processing Plant	2008-2010	58,672
Project Management	EU/STABEX	MAFFF	Project management of STABEX projects	2008-2010	651,259
Feasibility Study Rice	Govt Indonesia	MAFFF	Feasibility study for rice development project	2008 pipeline	50,000
Fisheries Management Project	AusAID	MAFFF	To improve development and management of living marine resources.	2002-2008	5,824,000

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget
Market Identification for Exports and Agro-processing	EU/STABEX	MAFFF		2008-2010	111,477
HTFA Operations & Pilot Market Trials	EU/STABEX	MAFFF		2008-2010	410,714
Market Center in Auckland	EU/STABEX	MAFFF		2008	176,107
Organic Farming Development Work Programme	EU/STABEX	MAFFF	Vanilla certification, post harvest facilities and agro-processing & market infrastructure	2008-2010	117,344
Vanilla Export Work Programme	EU/STABEX	MAFFF		2008-20110	45,470

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Equipment	EU/STABEX	MAFFF	Food testing laboratory equipment	2008-2010	99,742
Coordination Codex	FAO LOA	MAFFF	Promote regional coordination and information exchange Codex	2008	25,000
Clean Water Project	NZAID		Upgrade Eua community water supply	2006-2008	2,314,200

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
National Capacity Self-Assessment Multi-focus Enabling Activity	GEF	UNDP	Assess capacity needs; analyse national priorities and identify how best to mobilize and allocate resources to implement major environment conventions.		225,000
National Biodiversity Conservation Strategy Enabling Activity	GEF	UNDP	Assist the country to prepare strategies, plans or programmes referred to in Article 6 of the Convention on Biological Diversity.		318,000
Enabling Activities for Stockholm Convention on Persistent Organic Pollutants	GEF	UNEP	Prepare implementation plan for POPs		386,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Framework and Strategy for Sustainable Development Enabling Activity	GEF	UNDP	To prepare the first communication in responses to obligations under UNFCCC		325,000

Acronyms

National agencies

MAFFF Ministry of Agriculture & Food, Forests and Fisheries

MCEYS

Tonga Proposed Projects for the FSSLP

	COMPONENT 1	**Estimated Cost US $**
1	Sheep Farming Development	400,000
2	Local Livestock Breed Upgrading	250,000
3	Livestock Feed Development	85,000
4	Improved Technology – Vegetables & Spices	60,000
5	Fish Aggregating Devices	50,000
6	Hydroponics Investigations	120,000
7	Toutu'u Group Root Crop Development	100,000
8	Forest & Fruit Tree Replanting	100,000
9	Organic Salt From The Niuas	50,000
10	Fish Smoking Facilities For Outer Islands	30,000
11	Women Floriculture, Handicrafts & Home Gardening	100,000
	Sub-total	***1,345,000***
	COMPONENT III	
1	Aquaculture Development	150,000
2	Strengthen Outer Island Machinery	200,000
3	Agricultural Roads – Nationwide	1,500,000
4	Niuafo'ou Wharf Upgrading & Pilot Boat For Loading	200,000
5	Cool Storage (Tbu, Eua, Vava'u Markets)	90,000
6	Slaughter House & Meat Processing Plant (2)	300,000
7	Fisheries Market Improvement (Tongatapu)	100,000
8	Food Market For 'Eua and Tongatapu	200,000
9	Institutional Strengthening – Ha'apai	260,000
10	Rainwater Harvesting & Irrigation	150,000
11	Greenhouse For Off Season Vegetables	300,000
	Sub-total	***3,450,000***
	TOTAL	**4,795,000**

Country Overview:

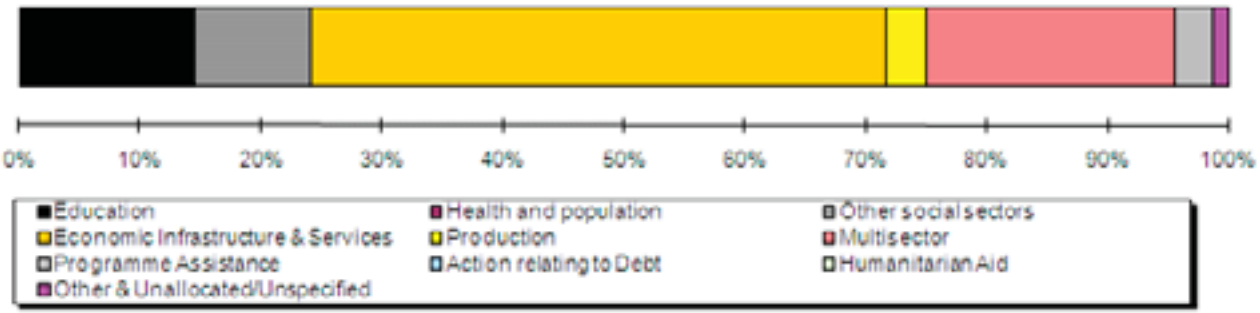
Tuvalu

Receipts	2004	2005	2006
Net ODA (USD million)	8	9	15
Bilateral share (gross ODA)	67%	66%	83%
Net ODA / GNI	..	..	..
Net Private flows (USD million)	0	- 1	4

For reference	2004	2005	2006
Population (million)	0.01	0.01	0.01
GNI per capita (Atlas USD)	..	..	..

Top Ten Donors of gross ODA (2005-06 average)		(USD m)
1	Japan	4.66
2	Australia	2.96
3	EC	2.09
4	New Zealand	1.52
5	AsDF	0.64
6	UNTA	0.12
7	Canada	0.10
8	France	0.04
9	Greece	0.03
10	Korea	0.02

Bilateral ODA by Sector (2005-06)



Sources: OECD, World Bank.

National Development Framework: the National Strategy for Sustainable Development (NSSD) 2005-2015, *Te Kakeega 11,* is the framework guiding development activities. It identifies eight strategic areas of development focus:

1. Good Governance.
2. Macroeconomic Growth and Stability.
3. Social Development: Health, Welfare, Youth, Gender, Housing, and Poverty Alleviation.
4. Outer Island and Falekaupule Development.
5. Employment and Private Sector Development.
6. Human Resource Development.
7. Natural Resources: Agriculture, Fisheries, Tourism, and Environmental Management.
8. Infrastructure and Support Services.

Under the strategic objective private sector development, agriculture and fisheries are identified as two key sectors for development. Key policy objectives listed for Agriculture are: Reverse the decline in subsistence agricultural production; Increase the availability of land for agricultural production; Increase production and consumption of local produce; and mitigate climate change-related agricultural impacts. Key policy objectives for Fisheries are: Improve management of fisheries resources - inshore and EEZ; Eliminate subsidies to CFCs through efficiency gains, privatization, or closure; and NAFICOT is made commercially viable. Key policy objectives for Environment are: Stop unregulated development and degradation of the environment - especially on Funafuti; Increase the number of marine and terrestrial conservation areas; and minimise climate change impacts.

Climate change is an important cross cutting issue and in 2007 Tuvalu has adopted a National Adaptation Programme of Action (NAPA) prepared with GEF funding assistance.

Development Partners Active in Country: Tuvalu is listed as a Least Developed Country and thus is eligible to specific development assistance to LDCs. A draft Development Partners Agreement is being finalized and builds on the Paris Declaration with an objective to improve aid effectiveness. ADB, AusAID, and NZAID are expected to sign the Agreement early 2008 with Tuvalu's other development partners expected to sign later in the year.

The Tuvalu Trust Fund (TTF) was established in 1987 (initial capital A$27 million) with contributions from Australia, New Zealand, United Kingdom, Japan and South Korea. These contributions are invested overseas and the returns are used to fund Tuvalu Government recurrent budget costs and development projects. The Maintained Value was A$90.42 million, as at 31 March 2006, with a Market Value of A$97.41 million. The fund has contributed roughly 11% of annual government budgets since 1990.

Bilateral Partners:

Australia. The Pacific Regional Aid Strategy 2004-2009 guides programme activities in Tuvalu. Australia's aid programme supports priorities in the NSSD. The main focus is on education. Australia continues to support the Tuvalu Trust Fund and fund activities in budget management. Australia also provides funding for the people's lawyer.

Country programme estimate for 2007-2008 is Aus$5.6 million (US$ M)

Japan. Assistance Policy is determined at the Japan-Pacific Island Forum Summit Meetings (PALM) last held in Okinawa in May 2006. The Embassy of Japan in Fiji is responsible for bilateral official development assistance in Tuvalu and the JICA Fiji Office for the implementation technical assistance projects. Japan's cooperation programme is agreed following project requests made by the government of Tuvalu and is substantial. It focus is on large infrastructure projects including a new diesel power generating plant for Funafuti and port facilities including a new wharf. Japan is also supporting bulk fuel purchases to provide fuel supply for the power station. The grass roots programme provides support mainly for social projects.

Estimated annual country programme budget is US$

New Zealand: priorities with Tuvalu are outlined in the five-year FRAMEWORK FOR 2002-2007 NEW ZEALAND-TUVALU DEVELOPMENT COOPERATION PROGRAMME. At present this framework focuses on human resources development, Outer Island development and economic development. NZAID is committed to working with Tuvalu to align its programme in support of the priority areas of the NSSD. NZAID funds an ongoing member of the TTF Board of Directors and a member of the TTF Advisory Committee. In addition, NZAID has made a number of annual capital contributions to the TTF most recently in 2006. Together with, AusAID and the Asian Development Bank they have helped the Tuvalu Government develop an agreed set of performance benchmarks to assist with its fiscal and budget management; e.g. to help achieve sustainable budgets and other public policy priorities in line with Te Kakeega II goals.

NZAID is also funding the design of a five year Ship to Shore Transport project with the Government of Tuvalu. This project aims to enhance ship to shore transport infrastructure, taking into account social and environmental issues, particularly in the Outer Islands, and is planned to be implemented from 2007/08. NZ is also funding a marine species research project, which is a collaborative project between NZ's Department of Conservation (DOC) and the Department of Environment in Tuvalu and funded through NZAID's Government Agencies Fund.

NZAID's 2007/08 assistance to totals NZ$2.3 million (US$M)

Taiwan (ROC). Is the only country with a resident embassy in Tuvalu and has a substantial assistance programme which has continued to increase over recent years.

Taiwan provides annual budgetary grants, infrastructure (including bridges, jetty, shipping warehouse etc.), private sector support, ICT, agriculture assistance, sports funding, scholarships and training. The focus of agriculture assistance is improvement and expansion of extension services, training on vegetable planting and aquaculture (milkfish farming on Vaitupu).

Multilateral Partners:

Asian Development Bank (ADB). The COUNTRY PARTNERSHIP STRATEGY (CPS) 2008-2012 (draft being finalized**)** is the framework for ADB's assistance which is aligned with the NSDS. The CPS emphasises the intent of the Paris Declaration on Aid Effectiveness through much strengthened partnerships with development partners. ADB main focus will therefore be the Financial Sector and will support the assistance already provided by AusAID and NZAID to improve public expenditure and financial management. A long-term TA will be provided to the Ministry of Finance and Economic Planning and a programme grant with main policy focus on prudent financial management with an introduction of private sector management contract of a public enterprise.

Total ADF allocation is US$5.1 million.

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Development focus for the 9th EDF was outer islands social development (schools, water and waste management) provided through a kind of targeted budget support. Allocation for the 10th EDF (envelope A) is €5 million of which €4.4 million is allocated for the focal sector, water and energy (focusing on water and sanitation). This will be implanted by project approach as part of a pooled multi-country programme covering the small Pacific Island countries. The balance of envelope A funds will be used for a technical assistance facility. It is envisaged that technical assistance needed to draft a comprehensive environment and waste management legislation will be supported from this allocation.

UN Agencies FAO, UNDP, and UNESCO have country programme activities in Tuvalu. UNDP supports health programmes (including HIV/AIDS) and social development policy. FAO is supporting a project the **"***Strengthening of ecologically-base management of rat in coconut plantations"* (US$200,000).The project is to decrease current coconut production losses to acceptable levels through capacity building for national officers and farmers in ecologically-based rodent pest management and the development of a sustainable integrated control package for coconut farmers. This project is in the process of being extended until the end of May 2008. A pipeline activity being considered is assistance to small scale atoll farmers cultivating sigatoka disease-free banana for food security. A piggery development project is also ongoing funded from the RPFS.

NGOs Tuvalu has a relatively large number of active Non-Governmental organizations and other Non-State Actors (NSA). The government generally supports the development

of a strong civil society and has agreed to provide, and is providing, a small number of larger NGO/NSAs with annual operational grants.

Multilateral Development Facilities

Global Environment Facility: Tuvalu has one national project being implemented under GEF co-financing (enabling activity for the Stockholm Convention on POPs, preparing National Implementation plan)) and participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with priority areas for proposals: Integrated island biodiversity and community-based conservation; Integrated water resource and waste water management; Enabling activity reporting to CBD; Building resilience to climate change (PACC); Integrated management of solid and hazardous wastes and POPs and capacity building activities (cross-cutting).

INTEGRATED FRAMEWORK FOR TRADE RELATED ASSISTANCE TO LEAST DEVELOPED COUNTRIES Tuvalu will have a field mission for **a** technical review in May/June 2008. A Diagnostic Trade Integration Study (DTIS) should then be planned. UNDP is coordinating this assistance.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Piggery Development Project	FAO, RPFS[53]	MNRE	To upgrading the breeding stock of pig farmers by increasing the supply of breeding stock and up-skilling farmers on pig feeding using mainly local materials and other proper husbandry techniques	2005-2008	76,583
Strengthening ecologically-based management of rat in coconut plantations TCP Project	FAO	MNRE	To decrease current coconut production losses to acceptable levels through capacity building for national officers and farmers in ecologically-based rodent pest management and development of an integrated control package.	2006-2008	200,000
Cultivation of Sigatoka Disease- free banana TCP project	FAO	MNRE	Assistance for small scale atoll farmers to cultivate banana for food security	pipeline	
Fisheries Development Master Plan	EU/FFA	FFA	Implemented under the EU/DevFish Project		
Technical Mission	ROC		To improve and the expansion of extension services, training on vegetable planting and aquaculture (milkfish farming on Vaitupu).		
Marine Species Research Project	NZ GAF	DOC, MNRE, SPREP	To collect data and improve knowledge of marine life to improve sustainable management of the natural resources.	? - 2008	

[53] Donor Italian Trust Fund

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Outer Island development	EU 9th EDF	Government of Tuvalu	To provide clean drinking water		
Water and Sanitation project	EU 10th EDF	Government of Tuvalu	To be determined	pipeline	

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Enabling Activity for the Stockholm Convention on POPs	GEF	UNDP	Assistance to prepare the National Implementation Plan		221,000

Climate Change - responses and adaptation; Disaster preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget

Acronyms
National agencies
MNRE Ministry of Natural resources and Environment

Tuvalu Proposed Projects for the FSSLP

	COMPONENT I	**Estimated Cost US $**
1	Coconut Based Farming System and Value Adding	800,000
2	Aquaculture Development	140,000
	Sub-total	***940,000***
	COMPONENT III (Infrastructure)	
1	Outer Islands Agricultural Centres and Equipments	900,000
2	Pigs and Poultry Development	500,000
3	Funafuti Slaughterhouses for Funafuti	300,000
	Sub-total	***1,700,000***
	TOTAL	**2,640,000**

Country Overview:

Vanuatu

Receipts	2004	2005	2006
Net ODA (USD million)	38	39	49
Bilateral share (gross ODA)	89%	82%	83%
Net ODA / GNI	12.1%	11.5%	13.6%
Net Private flows (USD million)	- 17	11	29

For reference	2004	2005	2006
Population (million)	0.21	0.21	0.22
GNI per capita (Atlas USD)	1 410	1 620	1 710

Top Ten Donors of gross ODA (2005-06 average)		(USD m)
1	Australia	20.30
2	EC	6.98
3	New Zealand	6.00
4	France	5.06
5	Japan	3.65
6	United States	2.38
7	UNTA	1.03
8	Canada	0.57
9	Korea	0.03
10	United Kingdom	0.02

Due to insufficient coverage, sectoral breakdown is not available for this country

Sources: OECD, World Bank.

National Development Framework: Vanuatu's key national development priorities are contained in the Priorities and Action Agenda – Supporting and Sustaining Development (PAA, 2006-2015), Priorities identified in the PAA are:

- Private Sector Development and Employment Creation
- Macroeconomic Stability and Equitable Growth
- Good Governance and Public Sector Reform
- Primary Sector Development (natural resources and environment)
- Provision of Better Basic Services Especially in Rural Areas
- Education and Human Resource Development
- Economic Infrastructure and Support Services

The PAA provides a clear guidance to government's strategic development priorities over the medium term. It places emphasis on inter-sector linkages, and is based on programmes rather than projects. A Medium Term Expenditure Framework (MTEF) has also been prepared.

Over the past years all provincial Governments have developed their own Rural Economic Development Initiatives (REDI).These are provincial level plans based on local consultations. Recently, the government has agreed to incorporate these into its national plans and try to align government resource allocations with the REDI's.

A draft Agriculture Sector Policy 2007-2012 has been prepared with the assistance of FAO. Three priority areas for development are identified: (1) Market Access and Trade Facilitation; (2) Processing and Value Adding; and (3) Agriculture production. The mandate of the Ministry of Agriculture, Quarantine, Forestry and Fishery (MAQFF) as stated in its Corporate Plan 2007-2009. A National Forest Policy (1998) is in place and regularly reviewed.

Development Partners Active in Country:

Vanuatu is a UN listed Least Developed Country (LDC) and is thus eligible for specific development assistance to LDCs.

Several major partners (EU, Australia and New Zealand) are planning some form of direct budgetary inputs in the near future. The EU already has a general budget support programme and Australia and New Zealand are committed to channeling more of their aid through the government budget to support sector wide approach programmes (SWAps)

Bilateral Partners:

Australia: AUSTRALIA-VANUATU JOINT DEVELOPMENT COOPERATION STRATEGY (2005-2010) provides the framework for development assistance. The aid programme aims to improve broad-based economic growth by focusing on governance. Australia is reviewing its focus on broader goals of improving policy, strengthening growth, and reducing poverty. Growth in productive sectors, especially agriculture and tourism are

important. Improving the enabling environment for private sector is targeted. Australian assistance has enabled an analysis of the existing lands administration system and the legislation and policy.

Country programme estimate for 2007-2008 is Aus$32.0 million (US$29.12 M)

The **Australia Centre for International Agriculture Research** (ACIAR) also provides COUNTRY PROGRAMME ASSISTANCE to Vanuatu. Projects on forest pests, improved management of whitewood and enhanced plantation forest outcomes are currently active in Vanuatu.

China (PRC). Provides significant support to Vanuatu based on government requests. They have funded the construction of an Agriculture College building on Santo, farm tools, fish aggregating devices, biogas technical cooperation, tools for Public Works and boats. They also support a micro-finance scheme and a cooperative development fund.

France provides assistance in the framework of the "Document Cadre de Cooperation 2006-2010" which targets two focal sectors: education and agriculture/food security**.** The Producers Organization Programme (POPACA) co-funded by France and the EU assists in creating viable associative producers' organizations, facilitating access to credit and developing skills on market information**.** The project has supported 32 POs throughout the country and agricultural marketing efforts, and also provided strengthening to the Department of Agriculture and Vanuatu Agricultural Research Technical Centre (VARTC). The main objective of the project is to improve rural income and food security. The project ended in December 2007. In 2008, the *Agence Française de Développement* (AFD) is providing Technical Assistance to the Department of Agriculture (DARD) of the Ministry of Agriculture (MAQFF)
in the following areas: The establishment of a Business Plan resulting in a consistent and efficient Agricultural Sector Policy of the Ministry of Agriculture; the implementation of the Restructuring Plan for the Department of Agriculture; support to an intervention for Rural & Agricultural Development, including the preparation of future interventions in cooperation with donors (10^{th} EDF (EU), Ausaid, NZaid, China and AFD), assistance to private sector initiative for the production, value addition and marketing of agricultural products (coffee, cocoa, coconut & coconut biofuel, beef, etc.) and the assistance to the on-going implementation of an agricultural saving/credit system to support agricultural development.

Japan. Provides support for infrastructure, road maintenance TA, health sector, municipal water supply programmes and education sector. JICA is also supporting aquaculture hatchery rehabilitation at the Department of Fisheries, re-stocking enhancement and integrated community-based fisheries resources management. Target species are: Green snail (Turbo marmoratus), Trochus (Trochus niloticus) and Giant clams (Tridacnidae). This activity is part of JICA's new focus on a regional strategic approach (see also regional overview chapter).

New Zealand: NZAID/VANUATU DEVELOPMENT PROGRAMME STRATEGY 2006-2010 provides a strategic direction for the NZAID/Vanuatu development cooperation programme. The three priority areas in which NZAID will work are: education, governance and economic development. Under the economic development objective outcomes sought are: improved family livelihoods and employment opportunities for rural communities and increased private sector investment. NZAID is also working to strengthen the water service delivery to improve access to clean drinking water in rural areas. Assistance to the agriculture sector included support for the 2006 agricultural census, a review of the extension system (just completed) and the reprinting of agricultural extension material, training for meat inspectors and quarantine support (including X-Ray Machine). Significant support was also provided for the Rural Economic Development Initiative (REDI) as a means of ensuring additional assistance reaches the provinces. New Zealand is currently positioning its support (which will grow by 6% in 2009 and 18% in 2009/10), and seeking strong coordination with Australia and EU. The detailed nature of activities in the agriculture sector will be finalized when a clear government policy framework is in place. The review of the extension system may lead to some support for research & extension. NZ is currently supporting a shipping study to identify needs to improve transport linkages for marketing.

NZAID's 2007/08 assistance to NZ totals NZ$15 million

Multilateral Partners:

Asian Development Bank (ADB). The COUNTRY STRATEGY AND PROGRAMME UPDATE (2006-2009) ADB's programme focuses on technical assistance to improve private sector development environment. The non-lending program focuses exclusively on creating an enabling environment for private sector growth through improved institutions and access to finance. The CSPU was formulated on the assumption that Vanuatu would not borrow because of its economic and fiscal priorities, and that a minimal grant program was available. ADB has supported a rural and microfinance outreach TA which has helped achieving the goal of providing better access to finance for people in both urban and rural areas. The TA helped scale up rural financial services provided by the National Bank of Vanuatu. ADB's strategic focus continues on improving the enabling environment for private sector by assistance to the financial services sector. Further development loans are not envisaged at this time and assistance will consist solely of TA.

The program is based on technical assistance (TA) allocation of US$800,000 (2006), US$600,000 (2007), and US$1,100,000 (2008).

European Union (EU). Activities under the 9th EDF are managed in the framework of the COUNTRY STRATEGY PAPER (CSP 2002 -2007) and those planned for the 10th EDF under the CSP 2008 – 2013. Vanuatu's allocation under envelope-A for EDF 10 is €21.6 million and under envelope-B is €1.6 million. The focal sector is economic growth and creation of employment including human resource development (vocational training and capacity building) to which 40% of programmable resources are allocated. Continuation of the support to the agriculture sector is envisaged in coordination with Australia (on

institutional aspects) and NZ. Macroeconomic support (through a general budget support programme) will use another 40% of A-envelope resources and the balance will be used for support to NGOs and technical assistance.

UN Agencies: FAO provided technical support to the Agricultural Census 2006/7 to ensure it was methodologically sound and in line with FAO recommendations for the World Programme for the Census of Agriculture 2010; and to create a cadre of persons trained in all aspects of census and survey planning, organisation and implementation; and re-establish the 'ongoing' food and agricultural statistics system based on an appropriate and sustainable methodology. Activities are on-going. Assistance was also provided for the formulation of the Vanuatu Agricultural Sector Policy. This project is on-going and will be completed soon. Under the RPFS two projects which commenced in 2004 have been extended to end 2008 -Rural Butchery Development and Value Adding for Food Processing.
FAO has very recently completed a case study assessment of the impact of climate change on agriculture and food security as part of a three-country technical cooperation project (the other countries involved are Cook Islands and Marshall Islands). WHO is providing technical assistance to initiate food borne disease surveillance and food contamination monitoring system as defined by relevant reports and capacity building to enable food control systems to implement effective food safety education.

UNDP is coordinating support under the Integrated Framework for trade related assistance to LDCs. Vanuatu has just entered into a full project implementation. UNDP is also implementing GEF support for a project- "Facilitating and Strengthening Conservation Initiatives of Traditional Landholders".

NGOs

Live and Learn NGO has Climate Change as a Thematic Program Area that aims to heighten climate change awareness and advocacy. Activities under this Program Area focus on the mobilization of long term carbon credit programs involving climate change education, reforestation and regional networking. It also involves the provision of information and education to local groups to advocate nationally and internationally for responsible policies on climate change.

Farmers Support Association (FSA) Details needed?

Multilateral Development Facilities

Global Environment Facility: Vanuatu has 2 projects being implemented under GEF co-financing and actively participates in the GEF Pacific Alliance for Sustainability programme (GEF-PAS) with priority areas for proposals in: Invasive species management; Building resilience to climate change; Promoting energy efficiency; Regional renewable energy and POPs (alternatives to DDT).

MILLENNIUM CHALLENGE ACCOUNT (MCA) Vanuatu has been selected as one of the 16 countries to be supported under the USA Millennium Challenge Account (MCA). The

five-year, US$65.69 million Vanuatu Compact provides an in-depth focus on one economic development priority: overcoming transport infrastructure constraints to poverty reduction and economic growth, specifically for rural areas. Consisting of eleven infrastructure projects--including roads, wharves, an airstrip, and warehouses, as well as institutional strengthening initiatives for enhanced maintenance capacity, the program aims to benefit poor, rural agricultural producers and providers of tourist-related goods and services by reducing transportation costs and improving the reliability of access to transportation services.

INTEGRATED FRAMEWORK FOR TRADE RELATED ASSISTANCE TO LEAST DEVELOPED COUNTRIES Vanuatu's Diagnostic Trade Integration Study (DTIS) was drafted in July 2007 and the National Validation Workshop was in Nov. 2007. The full project support under Window II of US$ 1 M has been approved for implementation. Key activities to be supported are: review of custom legislation, drafting of new trade legal framework and Act, establish a trade development unit and capacity building for this, IT network connection for cooperatives in six provinces, linked entrepreneur development with focus on marketing, review of national trade strategy, and establishment of additional container space at Vila Wharf.

List of Ongoing and Pipeline Projects by Key Sector.

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
TA Agricultural Census & Statistics Project	FAO TCP NZAID?		To provide technical support to the national Agricultural Census 2006/7 to ensure it is methodologically sound and to train local personnel in aspects of census and survey planning.	2006-2008	263,000
TA Policy Formulation Project	FAO	Gov. Vanuatu, MAQFF	Assistance with the formulation of a national agriculture sector policy/strategy	2007-2008	63,000
Silvicultural management of Whitewood Project	ACIAR	Queensland DPI&F, Vanuatu DF, Melcoffee Sawmills, Vanuatu	To Improve cultural and plantation practices for *Endospermum medullosum* (whitewood) to enhance plantation forestry outcomes.	2007-2011	660,116
Establishing forest pest detection systems in South Pacific countries and Project	ACIAR	Forestry, Tasmania, SPC, MFF, Fiji, Quarantine and Inspection Services, Vanuatu, MAPI, Fiji	To reduce the risk of serious disease by exotic pests to valuable timber resources	2006-2008	399,526
Producer Organisations Project (POPACA)	France EU	MAQFF, DARD	To create viable associative producers' organizations, facilitating access to credit and developing skills on market information	Ended Dec 2007	
Rural Butchery Development Project	Italy (FAO RPFS)	MAQFF	The project aimed to establish six rural butcheries as sustainable agribusiness ventures in isolated rural areas which could not access the domestic and export markets through the abattoirs in Vila and Luganville. The butcheries should improve food safety and food security for the local communities and help build a consistent market for local farmers to supply	2004-2008	102,321
Value Adding for Food Processing	Italy (FAO RPFS)	MAQFF	The project has focused on processing cassava into sun-dried chips (three village sites) which are marketed through one private buyer (Vanuatu Fresh) who mills them into flour which is sold in their supermarket chain	2005-2008	80,000
Promotion of Grace of the Sea in Coastal Villages Project	JICA	Department of Fisheries	Hatchery rehabilitation and restocking, integrated community-based fisheries resource management. Target species: Green snail, Trochus, Giant clams.		

Agriculture, Forestry, Fisheries (including national and household food security)

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
TA to Rural & Agricultural Sector	France (AFD)	MAQFF/DARD	To provide support for the establishment of a Business Plan and the implementation of the Restructuring Plan for the Department of Agriculture; and support to intervention for the Rural & Agricultural Development (future interventions to be funded through donors and assistance to private sector initiative).		

Trade

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Trade Related Assistance	IF	UNDP	To review of custom legislation, drafting of new trade legal framework and Act, establish a trade development unit and capacity building for this, IT network connection for cooperatives in six provinces, linked entrepreneur development with focus on marketing, review of national trade strategy, and establishment of additional container space at Vila Wharf.	2008-	1,000,000
Capacity Building Support	NZ	Ministry for Trade	Analysis for PACER plus meeting in May 2008	2008	

Nutritional Health, Food Safety, Water & Sanitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Technical Assistance for Food Safety	WHO		to initiate food borne disease surveillance and food contamination monitoring system as defined by relevant reports and capacity building to enable food control systems to implement effective food safety education.	2008-2009	

Environment-land management, resource conservation/rehabilitation

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Facilitating and Strengthening Conservation Initiatives of Traditional Landholders Project	GEF	UNDP, Environment Unit, Gov. Vanuatu	To coordinate programme of work on Gaua, Tanna and Santo islands to facilitate, adapt and strengthen local resource management initiatives by traditional landowners to support biodiversity conservation.	2006-2010?	771,000
National Implementation plan POPs enabling activity	GEF	UNEP	To prepare a national implementation plan in line with Stockholm Convention for persistent organic pollutants (POPs)	?	393,000

Climate Change – adaptation and mitigation, Disaster Preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
NAPA preparation enabling activity	GEF	UNDP, Climate Change Office Dept. Meteorology, Vanuatu	To prepare GEF project brief and project document of a country wide programme for adaptation activities for climate change and extreme events. the final list of projects for implementation under the NAPA was determined as follows: • Agriculture & food security (preservation/processing/marketing, modern and traditional practices, bartering); • Water management policies/programmes (including rainwater harvesting); • Sustainable tourism; • Community-based marine resource management programmes (modern & traditional aquaculture); and • Sustainable forestry management.	?	200,000
National Communication to the UNFCCC enabling activity	GEF	UNDP, NACCC. The NACCC is under the chairmanship of the Director of Meteorology and comprises representatives	To prepare the second national communication to UNFCCC comprising three major elements: a national greenhouse gas inventory, abatement analysis, and vulnerability and adaptation assessments The SNC will highlight actions taken to	2006-?	?

		from a number of government Ministries and Departments	meet Vanuatu's obligations under the UNFCCC.		
Study on consequences of climate change on agriculture and food security in the Pacific. TA	FAO		The overall objective of the study was to deepen the understanding of the consequences of climate change on agriculture and food security in the Pacific, with a specific focus in Vanuatu. The specific objective is to increase the institutional capacity of Vanuatu to adapt, mitigate and respond to challenges posed by changing climate variability patterns on agriculture and food security.	2007	40,000

Climate Change – adaptation and mitigation, Disaster Preparedness

Activity/modality	Funding Agency	Implementing Partner(s)	Purpose	Timeline	Budget USD
Capacity Building for the Development of Adaptation Measures in Pacific Island Countries (CBDAMPIC) Climate Change Adaptation Project	CIDA	SPREP, Vanuatu, Cook Islands, Fiji, Samoa	The CBDAMPIC was piloted in three selected locations namely, Lateu Community in the Torres Group of islands, Luli Community on Paama island, and Panita Community on Tongoa in the Shepherds Group of islands. The CBDAMPIC was the first step towards building the capacity at the institutional and community levels to better understand the adverse impacts of climate change and how to improve local capacity to adapt to any adverse impacts. The project carried out assessments of the likely impacts of climate change on agriculture and other sectors of the three communities and looked at adaptation options the government and communities could consider.	Completed?	

Acronyms

National agencies

MAQFF Ministry of Agriculture Forestry and Fisheries

NACCC National Advisory Committee on Climate Change

Vanuatu Proposed Projects for the FSSLP

	COMPONENT I	**Estimated Cost US $**
1	Introduction of Fiji Fantastic Sheep	175,000
2	Expansion of Agroforestry Project	340,000
3	Aquaculture Prawn Farming	100,000
4	Aquaculture Research Facility	250,000
5	Vegetable Seed, Banana and Plantain Production	240,000
6	Smallholder Pasture Improvement and Integrated Farming	300,000
7	Value-Added Processing of Fish Products	160,000
	Sub-total	***1,565,000***
	COMPONENT III (Infrastructure)	
1	Expansion of Root Crop Processing Project	80,000
2	Rural Butcheries Expansion	500,000
3	Strengthen beef export capacity at Vila Abattoir	1,000,000
4	Two X-Ray Detecting Machines for Airports	310,865
5	Sterilizer Machine for International Garbage	280,000
6	Market and Rural Infrastructure Improvement	1,040,000
	Sub-total	***3,210,865***
	TOTAL	***4,775,865***

APPENDIX 3: List of People Consulted

Samoa

1. Asterio Takesi	Director, Secretariat Pacific Regional Environment Programme (SPREP).
2. Frank Fong	Assistant CEO, Ministry of Agriculture and Fisheries (MAF).
3. Longzhuang Shi	Ambassador, Peoples Republic of China (PRC).
4. David Hunter	Acting Head of School of Agriculture, University of the South Pacific (USP).
5. Mohammed Umar	Director, Institute for Research, Extension and Training in Agriculture (IRETA), USP.
6. Noumea Simi	Assistant CEO, Aid Coordination, Ministry of Finance.
7. Stefan Terras	Programme Officer, World Health Organisation (WHO).
8. Takayuki Tomihara	Programme Formulation Adviser, Japan International Cooperation Agency (JICA).
9. Amanda Roberts	First Secretary, Australian Agency for International Development (AusAID).
10. Helen Leslie	First Secretary, Manager New Zealand Agency for International Development (NZAID)
11. Steve Brown	Assistant CEO, GEF Coordinator, Ministry of natural Resources and Environment (MNRE).
12. Adi Tafunai	Executive Director, Women in Business Development Incorporated (WIBI).
13. Sam Enari	Assistant CEO, Ministry of Foreign Affairs and Trade (MFAT).
14. Nella Tevita	WTO Trade Officer, MFAT.
15. Thomas Opperer	Head, European Commission Office in Samoa.

Solomon Islands

16. Alfred Maesula	Under Secretary, Ministry of Agriculture and Livestock (MAL).
17. Owen Hughes	Project Manager, RAMSI Transitional Support for Agriculture Programme (TSAP).
18. Paul Greener	Rural Development Adviser, Regional Assistance Mission to Solomon Islands (RAMSI).
19. Peter Coventry	Senior Development Programme Specialist, Ministry of Development Planning and Aid Coordination.
20. Lotte Vaisekavea	Programme Manager, Rural Development Programme, MDPAC.
21. Penny Matautia	Forum Fisheries Agency (FFA).
22. David Rupobeto	Director, Corporate Services, FFA.
23. Moses Amos	Director, Fisheries Management, FFA.

24. Abdoul Aziz Mbaye	Chargé d'Affairs, Delegation of the European Commission.
25. Jenny Brown	Rural Development Attaché, Delegation of the European Commission.

Papua New Guinea

26. Francis Daink	Deputy Secretary, Department of Agriculture and Livestock (DAL).
27. Brown Konabe	Director, Food Security, DAL.
28. Kieth Joyce	First Secretary, AusAID.
29. Andrea Cole	Second Secretary, AusAID.
30. Margie Lowe	Acting NZAID Manager.
31. Michelle Rooney	Assistant Resident Representative, United Nations Development Programme (UNDP).
32. Noriko Chantani	Sustainable Livelihoods Programme Officer, UNDP.
33. Shunichino Ikeda	Assistant Resident Representative, JICA.
34. Zhao Chunfeng	Attaché, Peoples Republic of China (PRC).
35. Bensen Ateng	Country Manager, World Bank
36. Egil Sorensen	Representative, WHO.
37. Eileen Kolma	Country Representative, Oxfam.
38. Harry Gubaia	Disaster Management Programme Officer, Oxfam

Australia

39. Nigel Hall	Technical Adviser, European Investment Bank (EIB).
40. Nigel Ewels	Senior Country Officer Pacific, World Bank (WB)
41. Graham Jackson	Private Consultant
42. Stewart Schaffer	Director, Infrastructure and Rural Development, AusAID.
43. Roberta Thorburn	Manager - Pacific Regional Environment Policy Pacific Branch, AusAID
44. Brett Nietschke	Programme Manager, Rural and Private Sector Development, AusAID.
45. Katherine Herron	Trade Adviser, AusAID.
46. John Skerritt	Deputy Chief Executive, Australian Centre for International Agricultural Research (ACIAR).
47. Gamini Keethisinghe	Research Programme Manager PNG, ACIAR.
48. Les Baxter	Research Programme Manager Pacific Islands, ACIAR.

New Zealand

49. Peter Zwart	Rural Economic Development Adviser, NZAID.
50. Peter Cornforth	Deputy Director, Strategy, Advisory and Evaluation Group, NZAID.

51. Ben Mckenzie	Development Programme Manager, Growth and Livelihoods, NZAID.
52. Tom Wilson	Pacific Regional Environment Adviser, NZAID.
53. Nicci Simmonds	Development Programme Manager Vanuatu, NZAID.
54. Marion Quinn	Health Adviser, NZAID
55. Derek Belton	Manager, International Coordination, Biosecurity New Zealand.
56. Sally Jennings	Adviser, Biosecurity New Zealand.

Fiji

57. Sakiusa Tubuna	Senior Economic Adviser, Ministry of Agriculture Sugar and Land Resettlement (MASLR).
58. Aleki Sisifa	Director, Land Resources Division, Secretariat of the Pacific Community (SPC).
59. Marita Manley	Resource Economist, SPC.
60. Warea Orapa	Warea Orapa, Coordinator Plant Health, SPC.
61. Inoke Ratukalou	Land-use and Resources Policy Adviser, SPC.
62. Mary Taylor	Genetic Resources Adviser, SPC.
63. Rainer Blank	Team Leader, SPC/GTZ Pacific-German Regional Forestry Project.
64. Elina Lobendahn-Volavola	Principle Administration Officer, ODA Unit – Budget Division, Ministry of Finance.
65. Thomas Gloerfelt-Tarp	Head, Project Administration Unit, South Pacific Subregional Office, ADB.
66. Maria Melei	Senior Project Implementation Officer, South Pacific Subregional Office, ADB.
67. Robert De Raeve	Head of Operations, Delegation of the European Commission to the Pacific.
68. Bernard Blazkiewicz	Third Secretary, Natural Resources and Environment.
69. Ted Maan	Deputy Chief of Mission, American Embassy Suva, US Department of State.
70. Joseph P. Murphy	Regional Environment Officer, American Embassy Suva, US Department of State.
71. Baskar Rao	Director, Pacific Islands Applied Geoscience Commission (SOPAC).
72. Arthur Webb	Coastal Processes & Aggregate Adviser, SOPAC.
73. Paul Fairbairn	Manager Community Lifelines, SOPAC.
74. Litea Biukoto	Hazard Assessment Adviser, SOPAC.
75. Richelle Tickle	First Secretary, Development Cooperation Section, Australian High Commission.
76. Noa Seru	Programme Manager Governance/Tuvalu, Development Cooperation Section, Australian HC.
77. Jean-Francois Bouffandeau	Ambassador of France.

78. Pascal Dayez-Burgeon	Counsellor for Cooperation and Culture, French Embassy
79. Juliet Fieischl	Officer in Charge, World Health Organisation.
80. Steven Iddings	Environmental Engineer, WHO.
81. Temok Waqanivalu	Nutrition and Physical Activity Officer, WHO.
82. Tatsushi Matsuo	First Secretary Economic Cooperation, Embassy of Japan.
83. Hiroshi Watanabe	Second Secretary, Economic Cooperation, Embassy of Japan.
84. Kirk Yates	First Secretary, New Zealand High Commission.
85. Rex Horoi	Executive Director, Foundation of the Peoples of he South Pacific International (FSPI)
86. Fakavae Taomia	Regional Programme Manager, FSPI.
87. Nariaki Mikuni	Deputy Resident Representative, Japan International Cooperation Office Fiji and Regional Support amio Shinya Assistant Resident Representative, JICA Fiji Office.
88. Feleti P Teo	Deputy Secretary General, Pacific Islands Forum Secretariat (PIFS).
89. Padma Lal	Sustainable Development Adviser, PIFS.
90. Virisila Raltamata	Poverty Team Leader, United Nations Development Programme (UNDP).
91. Yang Xuegang	First Secretary, Embassy of the Peoples Republic of China (PRC)

APPENDIX 4: Pacific Aid Effectiveness Principles

Preamble
These principles derive from the Paris Declaration on Aid Effectiveness (2005). They have been work-shopped and consulted upon widely across the Pacific region, and are designed to fit the Pacific context. The Pacific Aid Effectiveness Principles, like the original Paris declaration, include actions and approaches for both countries and development partners (donors). References to the relevant section in the Paris Declaration, and related monitoring indicators, have been included.

Principle 1: Country leadership and ownership of development through an accountable and transparent national development planning and financial management system/mechanism which is adequately resourced from the national budget - including longer term operation and maintenance of donor sponsored development (Paris Declaration Section 14, 19; Indicators 1, 2)
Principle 2: Multi-year commitments by development partners and countries aligned nationally identified priorities as articulated in national sustainable development strategies, or the like, with agreement on performance indicators and monitoring and evaluation mechanisms (Paris Declaration Section 16, 26; Indicators 3, 5, 7)
Principle 3: Greater Pacific ownership of regional development, Development Partners' Pacific Regional Strategies designed and formulated with the Pacific Plan and other Regional Policies as their corner stone (Paris Declaration 14, 15; Indicator 1)
Principle 4: Pacific Development Partners and Countries pursue a coordinated approach in the delivery of assistance. Encouraging harmonization will be a priority for both. (Paris Declaration 32 – 42; Indicators 9, 10)
Principle 5: Strengthened institutional mechanisms and capacity in countries to enable increased use of local systems by development partners. *(Paris Declaration 17, 21, 22-24, 31; Indicators 4, 6, 8)*
Principle 6: (i) Provision of technical assistance (TA), including in aid coordination/management, in such a way that ensures that capacity is built with tangible benefits to the country to support national ownership. Provision of an appropriate level of counterpart resources through established procedures and mechanisms. (ii) Short term TA, that address local skills gaps to conduct studies,
are culturally sensitive. *(Paris Declaration 22-24; Indicator 4)*
Principle 7*:* Use of an agreed monitoring and evaluation framework that will ensure joint assessments of the implementation of agreed commitments on aid effectiveness.

Source: Pacific Island Forum Secretariat.

APPENDIX 5 : FSSLP Mapping Study Update 2009

Donor	Economic Sector • *Macroeconomic Management* • *Agriculture* • *Fisheries* • *Mining & Quarrying* • *Business Development* • *Tourism* • *Financial Services*	Social/Community Sector • *Education* • *Health* • *Sports* • *Traditional Leadership & Culture* • *Women & Development* • *Youth Development* • *Civil Society*	Infrastructure Sector • *Energy* • *Water & Sanitation* • *Waste & Sewerage* • *Transport* • *Communication & Media*	Cross-Cutting Sector • *Public Administration* • *Governance Institutions* • *Land* • *Environment*
Australian Agency for International Development (AusAID)	Fisheries Tracking development and governance in the Pacific 2009 To improve governance and management of its fisheries. VIEW SUPPORTING DOC Financial Services Surviving the Global Recession: Strengthening Economic Growth and Resilience in the Pacific 2009 | Strengthening Economic Growth and Resilience in the Pacific VIEW SUPPORTING DOC Agriculture | Fisheries |	Health | Women & Development United Nations Population Fund (UNFPA)| Solomon Islands Government committed to ending violence against women 2009 + | preventing violence against women; supporting women living with violence; and strengthening the health sector and legal response to this issue. VIEW SUPPORTING DOC Education | Health	Transport PNG - Australia Ministerial Forum 2009 | to improve transport infrastructure VIEW SUPPORTING DOC	Governance Institutions Tracking Development and Governance in the Pacific 2009 report | The report monitors progress towards the MDGs in the region and assesses the performance of Pacific island countries and development partners VIEW SUPPORTING DOC

	Business Development COOK ISLANDS JOINT COUNTRY STRATEGY 2008 – 2017 | to strengthen resilience by building up the narrow export base (mainly fish, pearls and tourism) and providing wider income generation and employment opportunities, and reducing vulnerability, particularly to external economic shocks and natural disasters. Steady outwards migration is also a critical issue VIEW SUPPORTING DOC Macroeconomic Management Australia's participation in Pacific Agreement on Closer Economic Relations (PACER) Plus negotiations | by improving export capacity, creating jobs and enabling a higher standard of living VIEW SUPPORTING DOC Agriculture| Fisheries An expanded ACIAR-Pacific island countries program 2009-10 | Exploiting opportunities	PNG - Australia Ministerial Forum 200 |To improve basic education, health, the public service and statistics. VIEW SUPPORTING DOC Education | Health Vanuatu-Australia Partnership for Development 2009 | to meet education, health, infrastructure and governance goals following the signing of a Partnership for Development between the two countries. VIEW SUPPORTING DOC Health Intensifying the Response: Halting the Spread of HIV VIEW SUPPORTING DOC Civil Society On the ground: Australian Response to the 2009 Fiji Floods |		

	for developing high-value agriculture, forestry and fisheries products in the Pacific nations / new initiatives on agricultural technology transfer and capacity building VIEW SUPPORTING DOC Macroeconomic Management | Agriculture | Fisheries Solomon Islands and Secretariat of the Pacific Community Joint Country Strategy 2009–2012 VIEW SUPPORTING DOC	immediate relief efforts for those affected by severe flooding in Fiji, and to assist with longer term recovery and reconstruction VIEW SUPPORTING DOC Health Solomon Islands and Secretariat of the Pacific Community Joint Country Strategy 2009–2012 VIEW SUPPORTING DOC		
ACIAR | ASEM		Women & Development Improving women's business acumen in Papua New Guinea: working with women smallholders in horticulture VIEW SUPPORTING DOC		
Tripartite "FRANZ"		Civil Society relief assistance to tsunami-stricken Samoa VIEW SUPPORTING DOC		
(CRISP) Conservation International (CI), World Wildlife Fund (WWF) and				Environment CORAL REEF INITIATIVE FOR THE SOUTH PACIFIC (CRISP) | The

the United Nations Foundation (UNF)				initiative for the conservation and sustainable management of coral reefs VIEW SUPPORTING DOC
European Union (E.U)	Macroeconomic Management The Country Strategy & National Indicative Programme (2008 - 2013) | To cover Macroeconomic support, Sectoral Policies, programmes and projects in support of the focal or non-focal areas of Community Assistance • Vanuatu VIEW SUPPORTING DOC • Tuvalu VIEW SUPPORTING DOC • Tonga VIEW SUPPORTING DOC • Solomon Islands VIEW SUPPORTING DOC • Samoa VIEW SUPPORTING DOC • PNG VIEW SUPPORTING DOC • Palau VIEW SUPPORTING DOC • Niue VIEW SUPPORTING DOC • Nauru VIEW	Traditional Leadership & culture| Youth Development Civil Society Structuring the Cultural Sector in the Pacific for Improved Human Development VIEW SUPPORTING DOC Education Pacific Education Development Framework (PEDF) 2009-2015 | The Pacific Regional Initiative for the Delivery of Basic Education VIEW SUPPORTING DOC		

	SUPPORTING DOC • Kiribati VIEW SUPPORTING DOC • FSM VIEW SUPPORTING DOC • Cook Islands VIEW SUPPORTING DOC Republic of The Marshall Islands VIEW SUPPORTING DOC			
Food and Agricultural Organisation (FAO)	Agriculture FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONSTECHNICAL COOPERATION PROGRAMME | Food Security and Sustainable Livelihood Programme for Pacific Island Countries: National Capacity Building for Strategic Project Identification and Design VIEW SUPPORTING DOC			
Germany (GTZ)				Environment Pacific Islands Development Program/East-West Centre| Germany to support climate mitigation in Pacific VIEW SUPPORTING DOC
The Pacific Security Fund	Business Development Pacific Security Fund - Annual			

(PSF)	Report 30 June 2009 | to cover one-off, pilot, or contingency activities and the provision of equipment that contributes to the delivery of advice, training and technical support to Pacific Island countries on matters affecting security. In the absence of alternative sources of funding some activities have been funded for longer VIEW SUPPORTING DOC			
Canada (CIDA)		Health | Women & Development Conference: Social Determinants Research to Improve Policy and Practice in Women's Health VIEW SUPPORTING DOC Civil Society Samoa Earthquake and Tsunami Relief - IFRC Appeal 2009 | to assist up to 15,000 people (approximately 3,000 families) for 12 months in disaster affected areas VIEW SUPPORTING DOC		
		Civil Society		

Canada Fund for Local Initiatives (CFLI)		Canada Fund for Local Initiatives (CFLI) - East Pacific - 2009-2010 | providing funding for small projects that offer direct social, economic, or technical assistance to local populations, the CFLI contributes to the overall goal of reducing poverty VIEW SUPPORTING DOC		
Japan	Financial Services | Macroeconomic Management Kingdom of Tonga: Support for Economic and Strategic Management | • TA to support the formulation of the Strategic Development Plan 2006/07–2008/09 (SDP-8) • TA for Support for the Implementation of SDP-8 • TA will be complemented by a regional TA supporting economic management		Waste & Sewerage Japan AID for fiscal year 2009 in the Pacific Waste & Sewerage Port Moresby Sewerage System Upgrading Project VIEW SUPPORTING DOC	Environment PACIFIC ISLANDS FORUM LEADERS GATHER IN JAPAN FOR PALM5 VIEW SUPPORTING DOC Governance Institutions JAPAN ASSISTS PROJECTS IN PACIFIC REGION | contributing US$200,000 for several Pacific regional projects to help strengthen stability in the region VIEW SUPPORTING DOC Environment Cool Earth Partnership fund to facilitate solar installations Japan shines on Pacific nations with $20m solar grant 2009

	in the Pacific in response to the global economic crisis VIEW SUPPORTING DOC			VIEW SUPPORTING DOC
New Zealand Agency for International Development (NZAID)	Business Development | Tourism NZ supporting private sector development in Tonga | the establishment of the Business Opportunity Support Scheme (BOSS) in Tonga, which aims to encourage commercial investment and increase earnings from exports and tourism VIEW SUPPORTING DOC Agriculture | Fisheries | Business Development COOK ISLANDS JOINT COUNTRY STRATEGY 2008 – 2017 | to strengthen resilience by building up the narrow export base (mainly fish, pearls and tourism) and providing wider income generation and employment opportunities, and reducing vulnerability, particularly to external economic shocks and	Civil Society Pacific regional environment and natural disasters 2009 /2010 | to protect and enhance the Pacific region's natural resource base for sustainable development and poverty reduction VIEW SUPPORTING DOC Civil Society NZ supports relief efforts after Fiji cyclone | To support relief efforts after the Cyclone in Fiji VIEW SUPPORTING DOC Civil Society NZ gives $1.5 million for tsunami recovery in Tonga | tsunami recovery and reconstruction efforts in Tonga VIEW SUPPORTING DOC		

	natural disasters. Steady outwards migration is also a critical issue VIEW SUPPORTING DOC	Civil Society $100,000 for Solomon Islands flood relief | Help the Guadalcanal provincial government establish its disaster centre, and charter ships to help with the relief effort where road access has been cut VIEW SUPPORTING DOC Education Pacific Education Development Framework (PEDF) 2009-2015 | The Pacific Regional Initiative for the Delivery of Basic Education VIEW SUPPORTING DOC		
Pacific Island Forum Secretariat (PIFS)			Macroeconomic Management | Business Development | Financial Services STRATEGIC PARTNERSHIPS AND COORDINATION PROGRAMME STRATEGIC PLAN 2009 – 2011 | securing and fostering partnerships and	Governance Institutions POLITICAL GOVERNANCE AND SECURITY PROGRAMME STRATEGIC PLAN 2009 – 2011 | promotion and development of an understanding of the strategic elements of regional security and political integrity in the region, and the use of this expertise to assist our members in appropriate national, subregional and

			mobilising resources in support of the regional development challenges identified by Leaders and other regional ministerial processes VIEW SUPPORTING DOC Macroeconomic Management | Business Development | Financial Services ECONOMIC GOVERNANCE PROGRAMME STRATEGIC PLAN 2009 – 2011 | defined the ingredients for economic growth for the region as: sustainable economic growth, increased trade and investment; improved efficiency and effectiveness of infrastructure development and associated service delivery; and increased private sector participation in, and contribution to, development and decision	regional responses to their key security and governance challenges VIEW SUPPORTING DOC

			making VIEW SUPPORTING DOC	
Asian Development Bank (ADB)	Financial Services | Macroeconomic Management Kingdom of Tonga: Support for Economic and Strategic Management | • TA to support the formulation of the Strategic Development Plan 2006/07–2008/09 (SDP-8) • TA for Support for the Implementation of SDP-8 • TA will be complemented by a regional TA supporting economic management in the Pacific in response to the global economic crisis VIEW SUPPORTING DOC			
South Pacific Applied GeoscienceS Commission (SOPAC)			Energy Strengthening the Fragile Pacific Islands Energy Sector PEM REMM 2009 |Addressing energy,	

			economy and environment in a period of rapid change VIEW SUPPORTING DOC	
EU / SOPAC			Water & Sanitation implementing the Pacific Integrated Water Resources Management (IWRM) National Planning Programme and the Pacific Hydrological Cycle Observing System (Pacific-HYCOS) Project over the next two years (2009-2010)	
Secretariat of the Pacific Community (SPC)		Health Pacific Forum on Noncommunicable Diseases | to control the epidemic of noncommunicable diseases (NCDs) in the Pacific VIEW SUPPORTING DOC Traditional Leadership & culture Youth Development Civil Society Structuring the Cultural Sector in the Pacific for		Environment EUR 10 million for climate change project| to intensify existing efforts and enable the implementation of national policy programmes through such mechanisms as forestry inventories, consultation and capacity building programmes VIEW SUPPORTING DOC

		Improved Human Development VIEW SUPPORTING DOC		
South Pacific Regional Environment Programme (SPREP)			Energy | Transport Joint meeting of SOPCA, SPC and SPREP Governing Bodies on the Regional Institutional Framework (RIF) VIEW SUPPORTING DOC	Environment Review of Economic and Livelihood Impact Assessments of, and Adaptation to, Climate Change in Melanesia 2009 VIEW SUPPORTING DOC Environment Joint meeting of SOPCA, SPC and SPREP Governing Bodies on the Regional Institutional Framework (RIF) VIEW SUPPORTING DOC
United Nations Convention to Combat Desertification (UNCCD)	Macroeconomic Management Business Development| Financial Services Report on Asia- Pacific Workshop on Alignment of NAP, SRAP, RAP VIEW SUPPORTING DOC			
United Nations Development Programme (UNDP)		Civil Society UNDP responds to the Asia Pacific disasters		

		(Pacific Islands Tsunami (Samoa, Tonga)) | provided financial assistance to support initial disaster relief coordination efforts, needs assessments and early recovery plans VIEW SUPPORTING DOC		
United Nations Educational Scientific and Cultural Organisation (UNESCO)		Education | Traditional Leadership & Culture UNESCO Institute for Statistics - Institutional Support 2009 fostering evidence-based policy through the collection and use of high-quality and timely data in education, science and technology, as well as culture and communication VIEW SUPPORTING DOC		
United Nations Development Fund for Women (UNIFEM)		Women & Development Pacific Regional Facility Fund | support the many government departments and civil society groups that need to finance their work on addressing		

		violence against women VIEW SUPPORTING DOC Women & Development British assistance towards the elimination of violence against women (04/03/2009) VIEW SUPPORTING DOC		