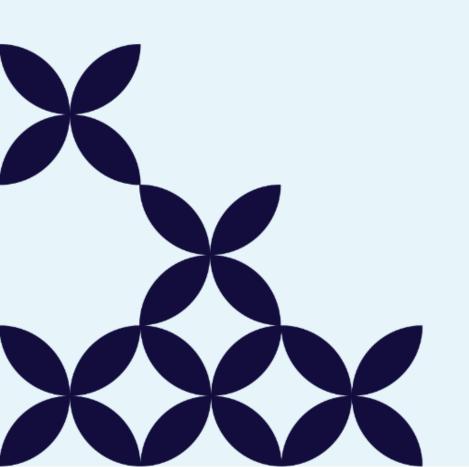
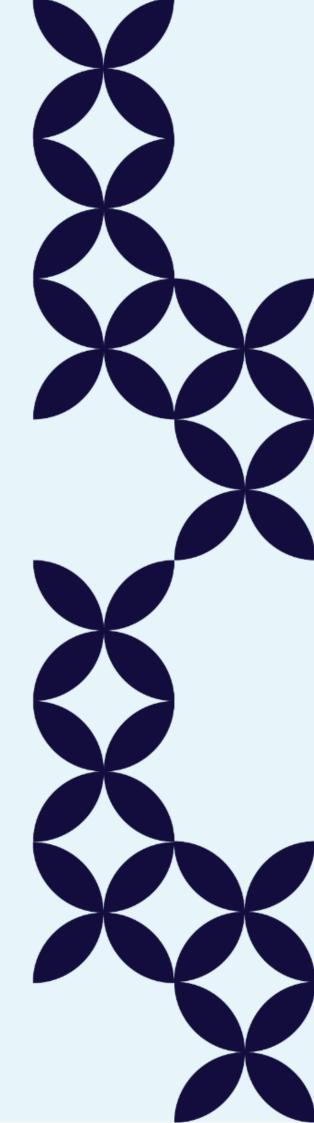


# Pacific Regional Four Year Plan

October 2021







Navigating our approach to engagement in the Pacific will require us to draw on all the tools available in our kete to help guide our journey... much like our tupuna, before us.

We have taken this concept and developed a compass, built around Whāia te Taumata Ohanga: like the sun, setting and rising, but Tātai hono: represented by the ocean — and its currents — binding different, the long-term perspective remains the same. us all through whakapapa and connection.

Turou Hawaiki: represented by the navigation winds, carrying we are headed—in the faces, and phases, of the moon. manu and waka, charting our course and direction, and recognising Arongia ki Rangiātea: represented by Matariki me nga purapura our shared common values.

various elements found in Māori and Pacific navigation narratives. always on the horizon, showing us that although the journey may be

Tātou Tātou: reflecting the strength of our friendships — and where

whetu, drawing a common architecture across the night's sky that reinforces our integration.

This document is one in a series of Four Year Plans for Pacific countries published by the New Zealand Ministry of Foreign Affairs and Trade. For the latest version please go to www.mfat.govt.nz

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<sup>&</sup>lt;sup>2</sup> https://www.legislation.govt.nz/act/public/1981/0047/latest/DLM51358.html



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#### Purpose of this document

The New Zealand Ministry of Foreign Affairs and Trade (MFAT) has developed this Four Year Plan (4YP) to guide the planning and management of New Zealand's regional-level initiatives and partnerships in the Pacific. Our overall engagement across the Pacific is guided by this 4YP and those for our partnerships with individual Pacific countries.

The 4YP is used to bring clarity to what work should be prioritised and to help monitor progress to achieve shared outcomes and strategic goals.

This is a living document that will be refreshed annually to ensure it responds to changes in regional context, including impacts of external shocks such as COVID-19.

#### An integrated approach

Aotearoa New Zealand pursues an integrated approach to our regional engagement in the Pacific. We focus on coherence across our diplomatic, development, trade and economic, climate change, environmental and security objectives to deliver sustainable progress in developing countries, and advance New Zealand's interests and values. As such, our development contribution (both policy and financial) is an integral pillar of our foreign policy – it reflects our network of international relationships and commitments, and is an expression of our values.

#### **Enduring principles for New Zealand's engagement in the Pacific**

The enduring principles which guide New Zealand's engagement in the region are:

- **Tātai Hono** (The recognition of deep and enduring whakapapa connections):
  - Shared history and meaningful relationships will shape our engagement, reinforcing New Zealand's depth of connection within the region and increasing understanding of Pacific peoples. These connections can further be enhanced by the shared value of reciprocity, shared national and regional priorities, shared language connections, and the recognition and celebration of the diversity between and within our indigenous values and those of Pacific partners.
- Turou Hawaiiki (Navigating together):
  - Our engagement will recognise that we share common values, and will reflect the unique and substantial overlap with New Zealand domestic policy decisions in respect of the Pacific. The development of New Zealand regional and national policies will actively consider their implications for the Pacific. We will also actively consider the impact on Pacific Island countries from international treaties and agreements that Aotearoa New Zealand is negotiating.
- Whāia te Taumata Ōhanga (Journey towards a circular economy):
  - Our engagement will recognise that the journey we each take is different but our horizon is the same. We will collaborate in support of the Sustainable Development Goals, with the long-term inter-generational perspective these Goals bring consistent with New Zealand's and Pacific Island



countries' enduring journey together. We will aim to achieve lasting resilience through Pacific Island countries' enhanced capability to deliver on national and regional priorities through supporting sustainable human, economic, and social development. We recognise each country's mana to determine and protect its own kaitiakitanga.

#### Tātou Tātou (All of us together):

Our cooperation will be underpinned by the principles of whanaungatanga and friendship, including honesty, trust, and respect. We will listen and have conversations. We will act with predictability, consistency, and based on the values we share as people of the Pacific. We will harmonise our efforts with others. We will confidently share New Zealand's views and perspectives, being clear about the things we will do and the things we will not do. The strength of friendship allows us to communicate openly even when our views differ.

#### Arongia ki Rangiātea (Focus towards Excellence):

We will actively take an integrated approach across each New Zealand Government agency to recognise the centrality of the Pacific. We will amplify our value in the Pacific through encouraging impactful co-investment from actors outside the region, and by supporting regional architecture that reinforces Pacific ownership and priorities.

New Zealand's experience with Te Tiriti o Waitangi has taught us lessons about managing and creating enduring relationships. This is particularly relevant in the Pacific as we recognise each country's inherent mana and sovereign aspiration to achieve sustainable development so all people can prosper and live peacefully.



#### **Regional overview**

#### **Regional context**

The Pacific ocean connects and enriches us with diverse opportunities for intergenerational and indigenous well-being. The region's diverse Moana-nui-a-kiwa marine and environmental resources are the backbone for Pacific economies and cultures to thrive collectively, while Pacific peoples' connection to the ocean and land enshrines a deep sense of environmental stewardship. There is a sense of urgency to revitalise, retain and record indigenous histories, knowledge, languages and culture, and to make the best use of digital technology to do so. This has become especially acute given the impacts of climate change and the COVID-19 pandemic.

Pacific peoples – both in the islands and the diaspora – are resilient, with strong support networks based on a collective community focus. The enduring kinship bonds between Pacific countries and diaspora communities in Aotearoa New Zealand, Australia and beyond remain strong through family connections, remittances, and regular travel and exchanges.

Pacific countries have made advances towards some Sustainable Development Goals (SDGs)<sup>3</sup>. However, progress is uneven and the region faces some major challenges. These include the fact that one in four people in the Pacific live below their national poverty line, with greater inequalities for already vulnerable groups such as the elderly, disabled, remote, and marginalised communities. There is gender inequality, in particular high rates of violence against women, and there are high levels of non-communicable disease.

Climate change and declining biodiversity are key ongoing challenges in the region which will exacerbate pressures across economic activity, food security, governance and stability, and human development. The Pacific also risks being left behind in the global transition to low-carbon climate-resilient futures.

The Pacific has made gains in some economic sectors. For example, there have been steady increases in tuna fisheries revenue. However, economic trends are volatile and the region remains vulnerable to the high cost of climate change adaptation, external shocks and catastrophic events. There is a long-term need for greater economic diversification, enhanced resilience to natural disasters, strengthened governance, increased employment opportunties especially for youth, and improved social safety nets for vulnerable groups. Limited institutional capacity and capability will remain a challenge as governments seek to strengthen good governance measures, access to justice systems and inclusive delivery of services.

Australia and Aotearoa New Zealand are the major development partners across Polynesia, Melanesia, Nauru and Kiribati, as well as for Pacific regional organisations. The United States and France are the primary donor partners in the North Pacific and French Pacific. Japan has long been an important source of development assistance, and China's engagement and influence in the region has increased significantly. Other major partners include the European Union, United Nations agencies, World Bank and Asia Development Bank. Pacific regional architecture, with the Pacific Islands Forum at its core, is critical for progressing development

<sup>&</sup>lt;sup>3</sup> The Sustainable Development Goals (SDGs) are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The 17 SDGs are defined in a list of 169 SDG Targets. Progress towards these Targets is agreed to be tracked by 232 unique Indicators. <a href="https://sdgs.un.org/goals">https://sdgs.un.org/goals</a>

priorities. Another key source of support is the significant Pacific diaspora (in Aotearoa New Zealand and elsewhere), through remittances and social- economic connections.

#### **Regional Development Plan**

The Pacific's consensus development goals are set out in the 2015 Pacific Roadmap for Sustainable Development, through which Pacific Islands Forum Leaders committed to the full implementation of the 2030 Agenda and SDGs. The Paris Agreement's goals and obligations are also key drivers. In 2019, Forum Leaders also endorsed the development of a 2050 Strategy for the Blue Pacific Continent, based on a collective vision for a region of peace, harmony, security, social inclusion and prosperity.

#### **COVID-19 impacts**

While most Pacific countries have so far succeeded in preventing COVID-19 infections, the pandemic has highlighted and amplified the Pacific's economic, social, environmental, governance and security vulnerabilities. According to the Asian Development Bank, overall, the region faced an average 5.8 percent drop in per capita GDP growth for 2020. Tourism, the largest economic sector for many Pacific countries, has been devastated by the border closures, and the loss of job prospects and labour mobility has widened social inequalities. Widespread pressures on communities and families have increased the reported cases of abuse and domestic violence. The pandemic has also highlighted weaknesses in public health systems to provide essential healthcare across remote populations.

#### New Zealand's partnerships in the Pacific Region

Aotearoa New Zealand is a Pacific country connected to the wider region by people, ocean, history, culture, politics, and shared interests. Promoting agreed Pacific priorities is vital to Aotearoa New Zealand. The core strategic drivers for New Zealand's engagement in the region are: our hononga with the Pacific and people-to-people links; our economic and health connectivity with the region, including through population movement; the linkages between climate impacts, instability and population displacement; and our national security interests, including the transboundary nature of threats facing the Pacific. New Zealand's unique bicultural values – including manaaki, whanaunga, mahi taka, kotahitanga, and kaitiaki – act as fixed markers to guide our way towards the outcomes we seek through all of our foreign policy, development and security partnerships in the Pacific.

The core principles which guide our engagement in the Pacific also underpin New Zealand's International Cooperation for Effective Sustainable Development (ICESD) policy, providing strong alignment to the commitments we share with Pacific partners to make joint progress under the SDGs. Our engagement is partner-led. Each country determines their own development goals, how these align to the SDGs, and what actions they will take to achieve progress in priority areas. Each country has a different starting point for this journey. As partners, Aotearoa New Zealand will meet them where they are and work together.

The SDGs are shared ambitions for our work. They set out the collective responsibility of all states to take action to improve the lives of our peoples and our planet. They help us and our partners to prioritise the issues that matter most for our region, and decide where to focus our resources. Our regional foreign policy, development, economic and security cooperation also places special emphasis on Pacific Islands Forum



Leaders' decisions, and on supporting member-driven regional organisations to take the lead in implementing those decisions.

Our high-level commitments also shape our Pacific engagement. The ICESD policy commits at least 60 percent of development assistance spending to the Pacific. Under the Pacific Agreement on Closer Economic Relations (PACER) Plus<sup>4</sup> we undertake to spend 20 percent of total development assistance on Pacific aid-fortrade and to facilitate greater labour mobility and trade and investment outcomes for Pacific partners. The Paris Agreement reaffirms our commitment to provide resources to support developing countries' climate change adaptation and mitigation efforts. Other political obligations include the 2018 Boe Declaration on regional security and the 2019 Kainaki II Declaration on climate change action.

New Zealand's partnerships with regional organisations form a crucial pillar of our engagement. These include the Pacific Islands Forum, the Pacific Community, Secretariat of the Pacific Regional Environment Programme, The University of the South Pacific, Pacific Islands Forum Fisheries Agency, and various other sector-specific institutions.

We have resident diplomatic representation in Cook Islands, Fiji, Kiribati, New Caledonia, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu, and non-resident accreditation to Tuvalu, Palau, Nauru, Republic of Marshall Islands, Federated States of Micronesia, Guam, French Polynesia, Wallis and Futuna, Northern Mariana Islands and American Samoa. Since 2018, we have increased our diplomatic presence in the Pacific and created new positions in Canberra, Tokyo, New York and Brussels focused on Pacific issues.

Pacific country and diaspora communities have an enduring relationship based on mutual support and connection, and New Zealand's Pacific communities are invaluable partners for our cooperation across the region. In Aotearoa New Zealand the diaspora provides valuable pastoral care for Recognised Seasonal Employer scheme workers, patient referrals, tertiary students and all people visiting from Pacific countries. Diaspora youth, highly educated with a strong cultural identity, are vital for building intergenerational resilience. To make the most of their potential contributions Aotearoa New Zealand must work to connect, protect and reflect the richness of Pacific communities within our national identity.

More than 30 New Zealand Government agencies are engaging substantially in the Pacific region, spanning the breadth of our policy and development partnerships. There is also substantial engagement by non-government organisations, academia, religious groups and businesses. Building partnerships with Māori businesses and community organisations to engage in the Pacific – based on Tiriti o Waitangi principles – is an important opportunity. MFAT will work closely with the Ministry for Pacific Peoples, other New Zealand Government agencies and non-government partners with the aim of ensuring New Zealand-Pacific partnerships are well-coordinated and target Pacific priorities.



<sup>&</sup>lt;sup>4</sup> https://www.mfat.govt.nz/en/trade/free-trade-agreements/free-trade-agreements-in-force/pacer-plus/

#### New Zealand's 4YP Strategic goals in the Pacific Region

#### Strategic goals

#### Goal One:

An effective regional architecture supports the Pacific to collectively achieve regional objectives, optimise its influence globally and reinforce the international rulesbased order

A strong regional architecture – owned by all Pacific countries – enables the Pacific to deliver its own solutions to priority regional challenges and take better advantage of strategic opportunities. *Te Kupenga a Maui* (the net of Maui) is a way to illustrate how Pacific regional organisations are woven together and create a reinforcing structure that encourages countries to pool their collective strength into harvesting regional gains and protecting regional interests. This empowers and strengthens Pacific voices globally, and plays an important stabilising role in a contested regional environment.

We need to work together towards a clear and consistent understanding of the goals of Pacific regionalism. We must ensure that the regional architecture remains fit-for-purpose and that it continues to provide substantial benefits for Pacific peoples.

Goal Two:
A stable, secure,
climate-resilient and
well-governed region

Cross-cutting issues such as climate change, regional security and inclusive and transparent governance are fundamental drivers of positive human and economic development. Responsive and strategic decision-making by Pacific governments is critical to the region's recovery from the economic and social impacts of the COVID-19 pandemic, as this could otherwise hold the region back by up to a decade. Inclusive regional security cooperation, including consistent enforcement of borders and economic zones, will help Pacific countries collectively to protect their shared economic resources and make strategic decisions for the long-term benefit of their communities.

The increasingly severe impacts of climate change, while not caused by Pacific countries, are nonetheless one of their key long-term challenges. Climate change will exacerbate pressures in sectors including economic activity, migration, food security, human development, governance, regional stability and resilient ecosystems. Pacific governments face the necessity of significant adaptation measures and making international treaty commitments to articulate long-term low-emission development strategies. This will require coordinated strategic planning followed by extensive support from partners to help deliver those strategies.



#### Strategic goals

Goal Three:
A region where all
countries enable
equitable and inclusive
economic, social and
environmental wellbeing for all community
members, consistent
with human rights

The Pacific faces a wide array of foreign and development policy challenges. New Zealand's approach will retain sufficient flexibility and agility to allow us to respond to evolving regional dynamics, development needs and opportunities at all levels. As one of the Pacific region's primary development partners, Aotearoa New Zealand must provide support that is flexible and comprehensive in its coverage of economic, social and environmental resilience priorities.

Across the regional programme, co-designed and Pacific-led partnerships will help to embed lasting development benefits and foster ownership at all levels. Initiatives targeting social inclusion, particularly women's political empowerment from the community level upwards, are crucial.

Goal Four:
A strategic
environment conducive
to New Zealand's
interests and values
has been preserved,
and our influence as a
preferred and trusted
partner is safeguarded

The Pacific is an increasingly contested region, and our interests are supported by Pacific countries and regional organisations making strategic decisions based on evidence and long-term priorities. Aotearoa New Zealand will work to influence those decisions by building on the trusted partnerships we have developed. New Zealand's own Polynesian roots provide a strong connector with Pacific communities across the region, and this can be strengthened by nurturing our Pacific cultural connections both domestically and abroad.

#### Specific outcomes linked to our strategic goals

The logic diagram annexed to this 4YP sets out how our strategic goals, which are long term outcomes, drive more specific **medium and short term outcomes**. Actearoa New Zealand will work towards these outcomes in partnership with all Pacific countries, Pacific regional organisations, Australia, and other development partners from outside the region as appropriate.

These outcomes have been identified to provide guidance for implementing the strategic goals for New Zealand's Pacific engagement, which were enshrined by the Pacific Reset and reinforced through our resilience approach. The medium-term outcomes reflect New Zealand's key thematic priorities for resilient Pacific development while also recognising the critical importance of an effective regional architecture and strategic environment that safeguards New Zealand's influence as a trusted and reliable partner.

Underpinning the region's long-term development goals and thematic focus areas is the need for strong collective decision-making. An effective regional architecture owned by all Pacific countries enables the Pacific to deliver its own solutions to key regional challenges and to take better advantage of strategic opportunities. It empowers and strengthens Pacific voices globally and plays an important stabilising role in a contested regional environment. Regionalism is fragile, however, and Pacific regional organisations must ensure they remain relevant to and representative of all the region.



The Pacific Regional 4YP places a high priority on supporting effective regionalism, recognising its contributions to social and economic resilience at both regional and national levels. We want the Pacific Islands Forum to remain the pre-eminent regional platform for collective decision making on Pacific regional priority issues under the direction of Forum Leaders. Important struts in this architecture are the major Pacific regional organisations (the Pacific Community, Pacific Forum Fisheries Agency, Secretariat of the Pacific Regional Environment Programme and The University of the South Pacific). These organisations play a key role in supporting science and evidence-based decision making with respect to shared Pacific interests.

#### **Assumptions**

In setting out the logic diagram and outcomes, we have made the following **key assumptions** which we will continue to test and monitor during the implementation of this 4YP:

- The social and economic impacts of the COVID-19 pandemic will set back development in the Pacific by at least five to ten years.
- Pacific countries will remain vulnerable to potential new COVID strains and future public health emergencies.
- Pacific countries will successfully implement national COVID-19 vaccination strategies and re-open (or partially re-open) borders in the next one to three years.
- Climate change impacts will continue to worsen affecting fisheries, natural resources and resilience, maritime and land borders, and vulnerability to severe weather events – and this will increase pressures in other sectors.

#### **Risks**

We have noted the following **key risks** which we will continue to monitor and develop mitigation measures for during the implementation of this 4YP:

Strategic level risks	Mitigation measures
COVID-19 or subsequent variants enters Pacific countries and there is significant community transmission across the region.	We will continue to support Pacific countries to maintain closed borders and strengthen their quarantine facilities by providing direct financial and technical assistance to governments through: the Polynesian Health Corridors Programme; budget support; and continued support to the WHO, UNICEF and other agencies that have worked with Pacific countries through the pandemic.
The Pacific region is left behind in the global transition to a low-carbon climate-resilient economic future, including through the financial obstacles to adopting new low-emission transport and other technologies.	We will continue to support Pacific countries' low emissions development strategies and ensure they are at the core of our economic planning support. We will support our Pacific partners to build capacity to engage in and influence multilateral processes and solutions.



Strategic level risks	Mitigation measures
Pacific countries are impacted by extreme weather events or other natural disasters, resulting in significant damage, loss of life or disruption to New Zealand development investments.	We will offer support when required, drawing on our humanitarian partnerships and national capabilities in responses phases, and through bilateral programmes in the recovery phase. Through our development investments we will support Pacific countries to be better prepared for and reduce risks from disasters, including by integrating climate change adaptation and disaster risk reduction measures into development investments where relevant.
Economic shocks significantly impact Pacific countries' primary sources of revenue.	We will maintain close relationships with governments, including through the Pacific Islands Forum, and ensure we have a good understanding of the key financial risks and pressures. We will work with individual governments as they strengthen and build their fiscal resilience.
Immediate COVID-19 responses divert available resources from long-term development priorities.	Through coordinated monitoring and decision-making, we will actively manage tensions and risks around the trade-offs between immediate economic and health needs and investments in the long-term resilience of the region.
Tourism is not restored (or is only partially restored) to pre-pandemic levels over the medium term, resulting in degradation of tourism infrastructure and long-term job losses.	We will continue to work with our Pacific partners towards a comprehensive roll-out of COVID-19 vaccines and the reopening of borders. We will also promote initiatives designed to strengthen other economic sectors and help Pacific economies to diversify sustainably.
Some regional organisations remain unable to secure funding from a wide range of sources, reducing their financial security and ability to focus on strategic priorities.	We will continue to engage actively with partners from outside the region, to harness and coordinate resources in support of long-term Pacific priorities and the ongoing financial stability of regional organisations.
There is fragmentation of the Pacific Islands Forum membership following Micronesia's announced withdrawal.	We will work with other Forum members to re-build Micronesia's confidence in the organisation and ensure that it sees value in continued membership.
There is too much happening in focus areas of strategic importance, reducing countries' capacity to absorb and achieve development outcomes.	We will use our high-level dialogues with other development partners and multilateral institutions to encourage a coordinated and coherent approach. We will also encourage regional organisations to continue delivering on their coordination role.



#### Key themes supporting these outcomes

Aotearoa New Zealand has adopted a number of thematic focus areas for its engagement with the Pacific region, recognising that thematic policy, insights and technical expertise are vital to building strong and resilient partnerships. Our Pacific regional engagement is steered by our goal for a peaceful, stable, prosperous and resilient Pacific in which Aotearoa New Zealand operates as a true partner, collaborating with others in the shared stewardship of our Blue Pacific continent. We will seek to balance our regional-level engagement and development cooperation investments across all major thematic areas, complementary with Pacific country 4-Year Plans.

The Pacific Regional 4YP's particular focus areas are: strengthening governance, peace and security, and climate change adaptation; supporting human development (health and education) and social inclusion; and encouraging economic resilience, including management of fisheries and other resources. Traditional and indigenous knowledge, combined with scientific research and modern technologies, is a key tool for developing effective local solutions to the Pacific's intergenerational challenges.

#### **Governance and stability**

Inclusive, accountable and transparent governance is critical for sustainable development. It underpins the responsible management of shared oceanic and other economic resources, equitable access to public services, and representative and responsive decision-making. It is a vital part of the social contract between governments and citizens.



Through the 2018 Boe Declaration on Regional Security, Pacific Islands Forum Leaders recognised an expanded concept of security in the Pacific, with an emphasis on human security (including humanitarian assistance and protecting rights, health and prosperity), environmental and resource security, transnational crime and cybersecurity. This broad-ranging concept of regional security and stability underscores its interconnectedness with governance, climate resilience, and social and economic well-being outcomes.

#### Climate change and environmental resilience

Pacific countries are some of the most vulnerable in the world to the effects of climate change and natural disasters. Climate change is already creating challenges relating to: human rights; economic security at local through to global levels; human security and peace; social and cultural development; and environmental and



natural resource security. New Zealand's Pacific Climate Change Programme helps deliver on New Zealand's climate finance commitment under the Paris Agreement and will continue to be oriented toward adaptation. Pacific countries have already identified low-emission and climate-resilient recovery as a priority for 'building back better' post-COVID. All of this will require stronger public sectors and more effective institutions that mainstream planning for climate change and embed science-based and evidence-based

decision making.

Healthy terrestrial and marine ecosystems are fundamental to Pacific countries' environmental, economic and social resilience and to their well-being. The declining state of biodiversity and increasing threat from



invasive species weaken the Pacific's resilience to extreme weather events, as well as to the sustainable management of aquaculture and fisheries. This has ongoing implications for food security and incomes.

#### Human development and social inclusion

The COVID-19 pandemic has highlighted the importance of social inclusion and human development as fundamental drivers of sustained development. Promoting human rights and social inclusion across the Pacific is integral to New Zealand's International Human Rights Action Plan, as well as the commitment we made in the 2030 Sustainable Development Goals to leave no one behind: kaua tētahi e whakarērea.



Good health is a means to achieving inclusive and sustainable development, and is a critical development goal in its own right. Societies and economies cannot thrive without healthy populations, nor can they develop sustainably when only some groups benefit from health care services. New Zealand investments aim to strengthen health systems with a focus on primary health care (including disease prevention) in order to help our partners achieve the SDG target of universal health coverage.

Education is vital for empowering communities and building capacity across all sectors from health to government to industry. Improving education levels creates a young population with skills to create new



businesses and employment opportunities, lead their communities, and develop innovative solutions to critical challenges. We invest in education so that people have equitable opportunities for economic, social and cultural well-being. The goal of our education investments is that people acquire the skills, attributes and values they and their communities need to thrive in a changing world.

#### **Economic resilience**

Resilient economic growth in the Pacific has lagged behind the rest of the world due to small populations, large distances to markets, poor infrastructure, limited access to finance, capacity constraints within the



public sector, and dependence on increasingly fragile natural environments.

New Zealand's (and Australia's) commitments and investments to integrate PACER Plus and labour mobility within the regional economic architecture and national economic-trade policy settings are vital for achieving sustainable economic and social development outcomes. Across the region there is an appetite for inclusive labour mobility and training programmes producing portable qualifications and focusing on

agriculture, trades and higher skilled professions.

Aotearoa New Zealand is also committed to working with and through the private sector and international institutions to help Pacific countries achieve their SDGs. The emphasis for this work is on: trade; development finance; low-emissions and climate-resilient



economic transition; sustainable agriculture, mining and forestry;
tourism; private sector engagement; and right-sized and resilient
infrastructure, digital assets and services. Maritime and air transport connectivity will
continue to be key enablers for the region's sustainable economic development.



Fisheries contribute USD 1 billion annually to Pacific economies, generate nearly 25,000 jobs, provide 50-90 percent of animal-sourced protein for rural populations, and represent the primary or secondary source of income for up to half of all households in the Pacific. As the region responds to the impacts of the COVID-19 pandemic, Pacific countries are increasingly looking to the ocean and coastal waters for income diversification, economic resilience, livelihoods and food security. Investing in this area helps to uphold international law and



strengthen public institutions as well as meet partner governments' economic and related social interests.

Private sector-led investment and public-private partnerships, in line with national priorities, can be an important pillar for sustainable economic growth that benefits all community members. This is particularly true in the case of improved digital connectivity, safe aviation and maritime transport, renewable energy and



high-quality infrastructure. Working with other agencies, we will encourage New Zealand businesses to invest and grow their engagement in the region in accordance with long-term development goals. One opportunity arising from the economic disruption of the pandemic is to 'build back better', including through a 'green recovery' that could feature more environmentally sustainable tourism, transport, energy and infrastructure investments.

## Achieving development outcomes that are effective, inclusive, resilient and sustained

New Zealand's International Cooperation for Effective, Sustainable Development policy statement identifies four development principles that guide New Zealand's work with partner countries: effective, inclusive, resilient and sustained<sup>5</sup>.

**Effective development** is values driven, partnership focused, adaptive, outcomes focused, and evidence based.

Across the Pacific region, we deliver effective development outcomes by designing and commissioning regional interventions based on rigorous analyses of priority development needs, and the most effective delivery strategies. Proposals for regional development assistance are developed by thematic/sector experts and consulted on widely among New Zealand, Pacific and international stakeholders to ensure they are targeted to Pacific country priorities.

We will focus on co-partnering and co-investing for resilience, including: by deploying new ways of working; improving technology; fostering science, research, innovation and private sector collaboration; and strengthening governance.

<sup>&</sup>lt;sup>5</sup> https://www.mfat.govt.nz/assets/Aid-Prog-docs/Policy/Policy-Statement-New-Zealands-International-Cooperation-for-Effective-Sustainable-Development-ICESD.pdf

**Inclusive development** addresses exclusions and inequality created across all dimensions of social identity, while promoting human rights, and equitable participation in the benefits of development.

Across the Pacific region we will deliver inclusive development outcomes through several mechanisms. We have developed a comprehensive suite of dedicated regional activities focusing on human rights, women's empowerment, children and youth, people with disabilities, domestic and gender-based violence, and sexuality and gender diversity. We also expect inclusive development outcomes to be mainstreamed into activities across the Pacific Regional programme.

New Zealand's Te Tiriti o Waitangi experience has taught us lessons about managing and creating enduring relationships. This provides a valuable kaupapa to help us engage more deliberately to ensure Pacific communities are connected and contribute to resilience-building projects.

**Resilient development** strengthens the environment, economy, and societies to withstand shocks and manage crises while protecting future well-being.

Across the Pacific region, we deliver resilient development outcomes through activities designed to build lasting capability within Pacific countries and regional organisations. This includes a strong focus on providing tools to foster Pacific ownership of the solutions, and helping to strengthen systems and data to promote evidence-based decision-making and good governance. We will focus on mainstreaming climate and environmental resilience into Pacific development initiatives, with an emphasis on considering climate change impacts in all forms of government decision-making and planning. We will look for opportunities to help Pacific communities build on the progress they have made towards localisation during the COVID-19 pandemic.

Sustained development enables lasting progress and is locally owned to uphold results in the long term.

Across the Pacific, we deliver sustained development outcomes by ensuring co-design and widespread support of development activities – at community, national and regional levels. Most of our regional capacity-building and technical assistance is delivered through regional institutions, which is important for enshrining regional leadership on key priorities and building technical expertise among Pacific citizens. Regional development cooperation is also delivered by New Zealand Government agencies directly to their counterpart organisations in Pacific countries, as well as by New Zealand and local civil society, reflecting long-standing partnerships for the transfer of public sector knowledge and expertise. We will also look to technical experts within Pacific communities and New Zealand's Pacific diaspora, who can contribute important cultural, linguistic, spiritual and traditional knowledge and understanding to development partnerships.



#### How we put this plan into action

To operationalise this 4YP and contribute to the achievement of shared regional goals, Aotearoa New Zealand uses a range of actions and works with multiple partners.

International development cooperation funding for this 4YP is managed over a three year period. Over this period, there is flexibility to move funds into and between 4YPs in order to respond to rapidly changing contexts. Current information about New Zealand's International Development Cooperation appropriation is on the MFAT website<sup>6</sup>.

### Goal One: An effective regional architecture supports the Pacific to collectively achieve regional objectives, optimise its influence globally and reinforce the international rules-based order

Through our membership of Pacific regional organisations as well as our governance engagement we will work with other Pacific members to promote a strong and strategically focused regional architecture. Various Government agencies lead on New Zealand's membership of Pacific regional organisations, according to the focus and mandate of each body. MFAT and other New Zealand Government agencies collaborate closely on all aspects of our engagement in the Pacific regional architecture.

We adopt a partnership approach for our relationships with regional organisations, with an emphasis on long-term strategic planning focused on regional priorities and consensus decisions made by Pacific leaders. We aim to help regional organisations maintain a sustainable balance between project, programmatic and core funding. Regional organisations will need to recalibrate to the new environment created by the COVID-19 pandemic. New Zealand's (and Australia's) steady support for regional organisations, both financial and in a governance context, will continue to be relied upon as they navigate the uncertain way ahead.

#### **Key indicators of progress**

Goal One:
An effective
regional
architecture
supports the Pacific
to collectively
achieve regional
objectives, optimise
its influence globally
and reinforce the
international rulesbased order

- Progress against Pacific Islands Forum Leaders' priorities, reported through the Council of Regional Organisations of the Pacific (CROP) Annual Report<sup>7</sup> and the goals and priorities identified in CROP agencies' strategic plans
- Number of partnerships CROP agencies engage in, as lead and non-lead (reported in the Pacific Roadmap for Sustainable Development's Quadrennial Report)

<sup>&</sup>lt;sup>7</sup> Key Pacific Islands Forum Leaders' priorities in 2021 for monitoring: 2050 Strategy for the Blue Pacific Continent; Boe Declaration Action Plan; International advocacy on sea-level rise, maritime boundaries and baselines; Biodiversity Beyond National Jurisdictions (BBNJ); Implementation of the Pacific Non-Communicable Diseases (NCD) Roadmap; COVID-19 Response and Recovery



www.mfat.govt.nz/en/aid-and-development/our-approach-to-aid/where-our-funding-goes/our-planned-aid-expenditure/

Goals Two and Three: A stable, secure, climate-resilient and well-governed region and A region where all countries enable equitable and inclusive economic, social and environmental well-being for all community members, consistent with human rights

For both of these thematic and cross-cutting strategic goals, our approach and resourcing will be across the breadth of New Zealand's engagement to make the best use of Government agencies, civil society, business and industry, regional organisations and other partners. We will emphasise building lasting partnerships between counterpart Government agencies in Pacific countries and Aotearoa New Zealand, as a trusted and reliable partner. We will ensure initiatives delivered by regional organisations are driven by Pacific Islands Forum Leaders' decisions and national priorities.

We will work to embed Pacific cultural frameworks in our work, including by strengthening cultural competence and regional awareness. Our engagement will be more inclusive of indigenous issues, across economic, social, environmental and cultural spheres.

In advancing all of our partnership priorities, we will nurture our Pacific connections at home and improve our engagement with diaspora communities. We will take a fresh look at our development procurement processes to ensure that Pacific expertise is recognised and valued, and that we are building capability on the ground. This mode of working also recognises that we can improve cultural competency in Aotearoa New Zealand through reciprocal strengths-based partnerships.

This will also help us to deepen our understanding of the relationship between the diaspora and our diplomatic relationships with sovereign governments in the region. We will seek to strengthen our coordination with Māori and Pacific diaspora communities, and explore opportunities for new partnerships to deliver development assistance and bolster Pacific resilience.

#### **Key indicators of progress**

Goals Two and Three: A stable, secure, climate-resilient and well-governed region and A region where all countries enable equitable and inclusive economic, social and environmental wellbeing for all community members, consistent with human rights

- Number of Pacific countries improving against 50% or more of SDGs (where data is available)
- Improvements in Government Effectiveness Index for Pacific bilateral partners
- Effectiveness of regional development activities that contribute towards this goal
- Growth rate of GDP (% per year) for Pacific bilateral partners
- Human Development Index ratings and the proportion of people living below national poverty lines (reported through the Pacific Roadmap for Sustainable Development's Quadrennial Reports)
- Proportion of key tuna fisheries within biologically sustainable limits
- Effectiveness of regional development activities that contribute towards these goals



### Goal Four: A strategic environment conducive to New Zealand's interests and values has been preserved, and our influence as a preferred and trusted partner is safeguarded

Our strength and success as a region relies on Pacific countries acting together. While there should always be space to respect mana and different views, the urgent and complex challenges facing our region are far greater than any of our differences. New Zealand's engagement will support collective approaches and benefit from our own experiences under Te Tiriti o Waitangi of managing enduring relationships where we stand stronger together.

We will nurture both our bilateral and regional relationships to achieve outcomes that support long-term resilience with high levels of Pacific ownership. We should be prepared for some challenging conversations along the way. Australia will remain an indispensable partner in the Pacific, and coordination with other long-standing partners including the United States, France, Japan and others will remain important. We will encourage and facilitate deeper co-investment and engagement from partners outside the region, in line with Pacific priorities.

Koy indicators of progress

Rey maleators of	progress

Goal Four:
A strategic environment conducive to
New Zealand's interests and values has been preserved, and our influence as a preferred and trusted partner is safeguarded

 Evidence of partnerships between Aotearoa New Zealand and Pacific bilateral partners strengthened

### How we assess progress against this plan

We report back on progress towards our goals in the Pacific overall via MFAT's Annual Report<sup>8</sup>.

Pacific regional activities are reported to the governments of Pacific countries via our Annual High-Level Consultations. We also seek input on region-wide developments from Pacific civil society groups, New Zealand diaspora communities, international organisations and other development partners. This gives us an opportunity to identify what we have achieved and contributed to at the regional level. It also helps us to test whether our regional plan remains fit-for-purpose or whether there are aspects we may need to adapt to better support Pacific countries' collective progress against the Sustainable Development Goals and other key international agreements.

We will also measure regional progress through the high-level reporting by Pacific regional organisations, such as the Council of Regional Organisations of the Pacific Annual Reports and the Pacific Roadmap for Sustainable Development's Quadrennial Reports.

<sup>8</sup> https://www.mfat.govt.nz/en/about-us/mfat-annual-reports/

In addition, we monitor and evaluate the impact of our development activities to ensure their effectiveness and ongoing strategic alignment. The results and any lessons learned from this process are compiled annually and fed into an Annual Reflection discussion and report on progress against the 4YP outcomes. This in turn informs the annual updates of the 4YPs.

Every 6-8 years we will commission an independent evaluation of key aspects of MFAT's overall Pacific regional engagement. This evaluation, which will consider progress against outcomes, the challenges and any lessons learned, will inform continued improvement.

#### For further information

To find out more about New Zealand's engagement with Pacific countries go to the MFAT website, at www.mfat.govt.nz/en/countries-and-regions/australia-and-pacific/



### **Appendix: Logic diagram for Pacific Regional 4 Year Plan**

#### **STRATEGIC GOAL 1:**

An effective regional architecture supports the Pacific to collectively achieve regional objectives, optimise its influence globally and reinforce the international rules-based order

#### **STRATEGIC GOAL 2:**

A stable, secure, climate-resilient and well-governed region

#### STRATEGIC GOALS

**MEDIUM TERM OUTCOMES** 

A region where all countries enable equitable and inclusive economic, social and environmental well-being for all community members, consistent with human rights

#### **STRATEGIC GOAL 4:**

A strategic environment conducive to New Zealand's interests and values has been preserved, and our influence as a preferred and trusted partner is safeguarded

**MO1.1:** The Pacific Islands
Forum maintains its status as
the pre-eminent regional
platform for collective
decision-making on priority
regional issues.

MO1.2 Regionalism is strengthened through: leaderlevel solidarity on regional priorities; ambitious decisionmaking and collective action; and effective and accountable regional organisations. **MO2.1:** Pacific governments are inclusive, transparent and accountable, and deliver effective public services; financial and public resources are managed sustainably.

**MO2.2:** Governments and regional institutions assume increased leadership in providing ongoing security and stability across the Pacific, working with traditional security partners.

**MO2.3:** Improved climate change mitigation and adaptation, and natural disaster resilience, with the Pacific's collective voice amplified globally.

**MO3.1:** Pacific governments deliver sustainable and inclusive education and health improvements for Pacific people.

**MO3.2:** Fisheries, oceans, biodiversity and other natural resources are protected and managed sustainably.

**STRATEGIC GOAL 3:** 

**MO3.3:** Regional economic integration and sustainable trade and investment activity supports a more diverse, prosperous and self-reliant and inclusive Pacific economy.

**MO3.4:** Human rights are upheld across the region, and political, social and economic inclusion is increased for women, children and youth, people with disabilities, indigenous groups, and other marginalised groups.

**MO4.1:** New Zealand and Australian foreign policy, security and development cooperation is well-coordinated and responsive to Pacific countries' long-term priorities.

**MO4.2:** Key partners from outside the region support long-term Pacific priorities, enhancing regional stability and economic, social and environmental well-being and resilience.

**MO4.3:** Strong and collaborative Pacific partnerships have enabled effective shared responses to the region's challenges.

sto1: Regional organisations are strategically led and well-managed, responsive and innovative, and make effective and responsible use of their resources to deliver mandated outcomes, and amplify Pacific voices globally.

#### SHORT TERM OUTCOMES: key changes expected to result from MFAT activities and engagement in 3–5 years

**STO2:** Pacific countries have an enhanced ability to address transboundary security threats, and are able to manage internal security challenges consistent with human rights.

**STO3:** Pacific states have effective and accountable institutions and improved public services.

**STO4:** Regional initiatives contribute to increased resilience to the intensifying impacts of climate change, including natural hazards.

**STO5:** Strengthened economic governance has supported Pacific countries to manage COVID-19 impacts and sustain responsible use of resources.

**STO6:** Pacific health systems have improved capacity and capability to deliver health services for their communities.

STO7: Regional support improves access to high-quality, equitable and relevant education for Pacific learners at all levels.

**STO8:** Regional initiatives improve Pacific countries' capacity for sustainable management of fisheries and aquaculture.

**STO9:** Pacific natural resources (including oceans and biodiversity) have been sustainably managed and the natural environment protected.

**STO10:** Pacific economies have continued to support livelihoods despite COVID-19 impacts and benefited from inclusive and sustainable trade and investment, labour mobility and a resilient private sector.

**STO11:** Regional economic integration and resilience is strengthened through PACER Plus implementation and other initiatives.

**STO12:** Pacific countries have improved access to sustainably financed public infrastructure (including energy, digital and transport).

**STO13:** Regional initiatives strengthen human rights and inclusive development for women, children and youth, indigenous people and marginalised groups (including people with disabilities and diverse sexual orientation, identification or expression, or sex characteristics).

**STO14:** New Zealand influences external actors' decision-making on development investments and approaches to foreign policy, development and security engagement in the Pacific region.

STO15: New Zealand and
Australian agencies and ministers
remain aligned and coordinated on
Pacific strategy and development
cooperation.

STO16: New Zealand and Pacific civil society, businesses and academia are supported to maintain and grow their connections, while better leveraging their strategic value to New Zealand and Pacific countries.

Increasing
influence of
external/
contextual factors

MFAT has more influence