

Achieving MDGs in LDCs through Regional Cooperation:
A Pacific Islands Regional Perspective

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Thank you your Mr. Chairman. I am pleased to share with you here a Pacific Regional perspective, and am thankful for this valuable opportunity.

Of the 14 LDCs in the ESCAP region, 5 are from the Pacific – Tuvalu, Kiribati, Samoa, Vanuatu and the Solomon Islands. They represent the five smallest of the group, with populations ranging from 10,000 to 500,000; and four of them are the most vulnerable.

Look at the map of the Pacific, and you will be struck by how far the Pacific islands are from each other, and from the rest of world. Superimpose a map of Europe on the map of the Pacific, and you can see how it would be easy to fit 2-3 Europes in the Pacific region. Take the entire Caribbean region, and you can fit all of it into the waters of Kiribati. In this age of instant communication, isolation remains a major challenge for the Pacific.

It is because of these characteristics, that Pacific Regional Cooperation has been very active for the past 50 years, and is likely to become much more so, under the new Pacific Cooperation Plan, recently mandated by the Pacific Islands Forum Leaders. There are at least 10 inter-governmental regional organizations active in the Pacific, whose mandates and programs can cover all of the 8 MDGs – regional programs in economic policies and trade, in education, health, water and sanitation, environment, gender/women, governance, and in coordination and partnership.

Regional cooperation can assist in mainstreaming MDGs, tailored of course to the particular needs and circumstances of individual countries and regions. In the Pacific, poverty as defined in the MDGs is not all that relevant, but there is widespread poverty of opportunities, for income and for quality education. Indeed, universal primary education has been or is being achieved for many Pacific islands, but there is a need to lift the quality of basic education, to meet the challenges of globalization. HIV/Aids is becoming a serious concern, and so are the other diseases like malaria. But non-communicable diseases, like diabetes are also becoming a serious health, indeed a developmental issue, particularly in Polynesia and Micronesia.

And given the smallness and vulnerability of island economies, the emphasis under Goal 8 should include governance obviously, but applied as well to globalization. There should be a stronger emphasis on Special and Differential Treatment, and on making the development concerns of the LDCs the heart or center of multilateral trade talks.

Much is made of the amount of aid that goes to the Pacific islands. Very little is said of the fact that twice as much, in billions of dollars in fact, goes out of the Pacific in the form of profits from resource extraction or harvest, and from trade.

Investment flows into the Pacific islands are static or declining, and while there is plenty of scope for improving the policy environment, the fact is that even those with very good policies are struggling to attract foreign investment. This is because the Pacific is a high cost region, due mainly to high transport costs and diseconomies of scale. Some estimates put the cost of investing in small and isolated economies at up to 30% higher, than in bigger economies closer to international markets. Yes, the Pacific Islands LDCs need more policy space and flexibility, to effectively respond to globalization. But transport and trade facilitation are also vital given the geographical spread of the islands, so we hope that ESCAP's programs in these areas will also look more closely at the Pacific.

These are the issues reflected in our recent initiatives, creating a free trade area amongst Pacific Island Countries (PICTA), trade and economic cooperation including trade facilitation amongst the full Forum membership (PACER), the establishment of a Forum Office in Geneva, where none of our Island members has formal bilateral presence, and the pursuit of the Small and Vulnerable Economies issues under the DDA, with other small economies of the world. These issues are also quite relevant to our efforts to contextualize MDG no. 8.

In the Pacific, UNDP, regional organizations and other partners are helping LDCs contextualize and mainstream MDGs, using the national planning and review exercises as entry points. This is being done in Vanuatu, where country-specific targets have been developed, in the Solomon Islands, through its National Recovery and Reform program, in Kiribati, through the review of its national Development Strategic Plan and in Samoa, with plans to do the same for Tuvalu. This should ensure that MDGs are pursued in an integrated manner, while enhancing the national planning process itself. Regional organizations like the SPC and my own are also integrating MDG targets into our work programs, and we will seek to do this also through the Pacific Cooperation Plan.

We have co-hosted, with UNDP, regional workshops on MDGs, provided joint presentations to the Pacific leadership, and will be jointly reporting on progress. A special regional working group on MDGs will convene next month to discuss progress and agree on further collaboration. These efforts reflect the type of partnerships that we should build around the MDGs.

The Forum Economic Ministers have asked us to report to them biennially on progress in achieving the MDGs, so this should keep the momentum going.

Regional processes can also facilitate effective partnerships and dialogues on MDGs. In the Pacific, we have the annual Post Forum Dialogue between the Pacific Islands Forum and development partners. Many of the Asian ESCAP members are Post Forum Dialogue Partners including the PRC, Japan, South Korea, India, Indonesia, Malaysia, Philippines; and Thailand is now applying for dialogue status. The EU, France, UK, Canada and the US are the other dialogue partners. In asking for the Pacific Cooperation Plan, the Pacific Leaders also want us to make the Post Forum Dialogue more effective in

terms of achieving the policy objectives of the Pacific islands, so maybe we should look at MDGs as a dialogue issue there as well.

The 10 regional organizations in the Pacific constitute what is called CROP, which stands for Council of Regional Organizations in the Pacific. The CROP heads and working groups meet regularly to discuss and agree on coordination efforts and strategies aimed at improving delivery of service to our members.

CROP does not have a formal mandate for joint programming but we already involve CROP members and other regional actors in the programming of substantial regional resources. The European Union regional program for the Pacific, some F\$70 million per five year cycle, is administered through the Pacific Islands Forum, and the regional priorities and programs under this, while needing the approval of member countries and the EU of course, are in fact developed by the CROP working groups. This kind of programming exercise provides a valuable opportunity for mainstreaming MDGs in regional development cooperation.

Finally, Mr. Chairman, on the question of policy coherence, ownership by regional members of regional priorities and programs, based of course on clearly articulated national priorities, is the key. CROP agencies are fully owned by members in that their annual work programs are discussed and approved by the entire membership. It is for this reason and others included in these remarks, that I totally agree with you Mr. Chairman and thank you for your recent public statements, in which you emphasized the need to make better use of regional organizations and coordination mechanisms.

The new initiatives of ESCAP for the Pacific, establishing a special sub-program under EPOC, and creating an Advisory Body made up of Pacific Islands and Australia and New Zealand, to deliberate and advise on EPOC's work program, is a step in the right direction, and should be applauded. It will certainly engender a greater sense of ownership by the Pacific Islands, and of course ESCAP's own relevance to the Pacific. In saying this however, I should noted that regional programs already exist in most of the areas that are covered by the new ESCAP-EPOC mandate, so close coordination will be essential to avoid duplication and to ensure that these laudable efforts will result in more effective partnerships and service delivery.

We have made good progress in mainstreaming MDGs, but we still have some ways to go, so I will stop here and simply say, thank you again for the opportunity and for your kind attention.