Session: Regionalism - responding to the Pacific Plan Review

The Pacific Plan Review and the Forum Secretariat

Seini O’Connor, Pacific Plan Advisor, Pacific Islands Forum Secretariat
The Pacific Plan: what was it really about?

“...the Pacific region can, should and will be a region of peace, harmony, security and economic prosperity, so that all of its people can lead free and worthwhile lives....” (Vision)
Evolution of the Pacific Plan as a “living document”

- **2005**: Pacific Plan initially endorsed
  - **4 pillars**
  - **44 initiatives**
- **2009**: Pacific Plan reviewed by consultant + Pacific Plan Priorities Updated
  - **5 themes**
  - **37 priorities**
- **2013**: Comprehensive Pacific Plan Review
  - Ongoing monitoring
  - **Recommended re-casting**

Framework for Pacific Regionalism

Pacific Update 2014 ~ ANU, Canberra, Australia ~ June 16-17
Reassessing regionalism: the Pacific Plan Review

- **September** – Leaders endorsed Review Terms of Reference
- **December** – Review Team formed, confirms methodology
- **January-May** – Country consultations + Public submissions
- **May** – Regional Consultation workshop and Special Session of Pacific Plan Action Committee
- **June-July** – Further consultations and report writing
- **August** – Annual Meeting of Pacific Plan Action Committee considered Review working papers
- **September** – Leaders Meeting held in Majuro
- **October** – Final Review Report submitted
- **December** – Final report discussed by Forum Officials Committee, and made available to the public online: [www.pacificplanreview.org](http://www.pacificplanreview.org)
- **May** – Special Leaders’ Retreat on Pacific Plan Review agrees to re-cast Pacific Plan as new *Framework for Pacific Regionalism*
Key Findings from Review Consultations

Where Pacific regionalism has been actively pursued, consistent with the spirit of the Pacific Plan, there are some notable examples of benefits and success.

BUT:
“we see a region that is at a crossroads and one that needs regionalism more than ever before... [so] our firm conclusion is that the [future] Pacific Plan ... should be seen as a framework for advancing the political principle of regionalism through a robust, inclusive processes of political dialogue, the expression of political values about regionalism and sovereignty, and the decisive implementation of key, game-changing, drivers of regional integration.”
# Re-casting the Pacific Plan as a new Framework

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<th>Pacific Plan</th>
<th>Framework for Pacific Regionalism</th>
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<td>Regional values</td>
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<td>Regionalism – benefits, types, tests</td>
<td>Strategic directions / objectives</td>
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<td>International Context</td>
<td>Path to deeper regionalism</td>
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<td>List of Regional Priorities</td>
<td>Process for prioritising integration-focused regional initiatives</td>
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**Pacific Plan**: Leaders’ vision, Goal and Objectives, Regionalism – benefits, types, tests, International Context, List of Regional Priorities, Implementation Strategies, Monitoring and evaluation.

**Framework for Pacific Regionalism**: Leaders’ vision, Regional values, Strategic directions / objectives, Path to deeper regionalism, Process for prioritising integration-focused regional initiatives, Process for monitoring and evaluation, **Annex: Tests for Regional Action**.
Setting out options for Pacific regionalism

**Coordination**
- Through voluntary engagement in processes to facilitate dialogue
- For open consultation and access to information

**Cooperation**
- Through coordinated policies and strategies
- For strengthened voice through collective positions

**Collaboration**
- By delivering regional public goods and services
- To achieve economies of scale

**Harmonisation**
- Through commitment to common policies, standards, processes etc.
- To achieve shared institutional / legal objectives

**Economic integration**
- By lowering market barriers (for goods, services, people)
- To increase prosperity and fair distribution of benefits and costs

**Political / institutional integration**
- Through binding agreement to common rules + sharing institutions
- For a secure and well governed region

*Not necessarily a linear process*
New processes are key to the new Framework

Any stakeholder (civil society, private sector, officials, regional organizations etc.) can submit a proposal for regional initiative

PIFS checks new proposals against tests and submits to FOC specialist sub-committee

FOC specialist sub-committee makes recommendations

FOC sends for Leaders’ consideration

Leaders endorse for regional implementation

CROP has ongoing role in proposing, implementing, and reporting
New processes are key to the new Framework

Leaders have called for a review of how regional meetings could be rationalised and better sequenced

CROP governing councils continue to oversee regional work programmes within their agencies’ mandated areas

Any stakeholder (civil society, private sector, officials, regional organizations etc.) can submit a proposal for regional initiative

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## Clear criteria for regional collective action

### Framework for Pacific Regionalism

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### Annex: Tests for Regional Action

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<th>Test</th>
<th>Description</th>
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<tr>
<td>1. Market Test</td>
<td>Is the market providing a service well?</td>
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<tr>
<td>2. Sovereignty Test</td>
<td>Does the proposed regional initiative maintain the degree of effective sovereignty held by national governments?</td>
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<tr>
<td>3. Subsidiarity Test</td>
<td>Can national or local governments provide the service adequately?</td>
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<tr>
<td>4. Net Benefit Test</td>
<td>Will the proposed initiative bring substantial net benefits: has some estimate of the costs and benefits been made? Is it a “big-ticket” item?</td>
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<td>5. Political Test</td>
<td>Does it really require the Leaders attention/input or can it be sent to another forum (e.g. regional ministerial meeting)?</td>
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<td>6. Success Test</td>
<td>Is the proposed initiative likely to succeed? Is there an implementation plan? Is funding available for it? In light of available capacity to implement it, is it too complicated?</td>
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<tr>
<td>7. Duplication Test</td>
<td>Is it being done elsewhere by another organisation or process?</td>
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Possible: “SIS Test”? Does the initiative have a notable positive impact for SIS?
Other highlights from the Review

The full set of 36 recommendations are set out in the Review report, which is available online: www.pacificplanreview.org
A call for better coordinated financing and governance

Recommendation 8 (same as Recommendation 22): PIFS develops, in consultation with the CROP agencies, their members and their other major financers, terms of reference for furthering the analysis of options for the more effective governance and financing of collective action in pursuit of regionalism (including of the network of Pacific regional organisations), and subsequently recruits specialist short-term advisory inputs.

Recommendation 29: Recognising the enduring nature of much of the region’s dependency on aid flows, PIFS should build on the advances made in implementing the Forum Compact/peer-review process and deepen and expand its role in advocating for, and supporting, development effectiveness in the Pacific.
Making development approaches unique to Pacific

**Recommendation 1:** PIFS works with multilateral finance institutions (MFIs) to offer PICs the opportunity to develop more highly prioritised growth strategies, designed so as to be within their capacity to deliver, covering the particular set of opportunities for growth that face them.

**Recommendation 6:** PIFS works with PICs and multilateral development agencies to develop uniquely Pacific indicators of both poverty and progress.

**Recommendation 5:** PIFS works with one or more of the multilateral development organisations to examine the following issues:

- What, in the Pacific context, is a ‘reasonable’ standard of living?
- How close can different PICs reasonably expect to get to this level of per capita income over the next 20–40 years?
- What is the cost of government service delivery to a ‘reasonable’ level?
- What is the cost of a ‘reasonable’ standard of governing – e.g. a reasonable court and justice system, parliament, etc. – in these countries?
- Can assistance be delivered in a way that does not undermine enterprise, compromise the culture of the islands, or generate unacceptable side effects?
- How much of a role can increased labour mobility play in reducing this gap?
- Who is going to deliver this assistance and how can this be made politically and economically sustainable?
- What is the quid pro quo (e.g. further improvements to public financial management) for providing this assistance and how will it be decided?
Next Steps

- Consideration of final report by officials
- Further analysis of Review recommendations
- Consultations on new Framework
- Re-launch of Pacific Plan as Framework for Pacific Regionalism
- Ongoing implementation

- Sep ‘13 Leaders Forum (R. Marshall Is.)
- Dec ‘13 Forum Officials meeting (Fiji)
- May ‘14 Leaders Special Retreat (Cook Islands)
- July ‘14 Leaders Forum (Palau)