



2016 Pacific Update Conference

Inclusive Growth for Enhanced Resilience

Time: 8:00am – 5:30pm, Monday 18 July and Tuesday 19 July 2016
 Venue: Japan-Pacific ICT Centre, The University of the South Pacific–Laucala Campus, Suva, Fiji

Abstracts and Descriptions of Presentations

Parallel Session 1a: State-Owned Enterprises (SOE) Reform	
<p>Chris Russell, SOE & Governance Expert, Private Sector Development Initiative (PSDI)</p> <p><i>Finding Balance 2016: Benchmarking SOE Performance in Island Economies</i></p>	<p>A Presentation on Finding Balance 2016: Benchmarking SOE Performance in Island Economies</p> <p>The Asian Development Bank and Pacific Private Sector Development Initiative have published four Finding Balance studies since 2009, benchmarking the performance of state-owned enterprises in Pacific island countries. In each publication the number of participating countries has grown. In the fifth study, scheduled for publication in August 2016, eight Pacific island countries have participated—Fiji, Kiribati, Marshall Islands, Papua New Guinea, Samoa, Solomon Islands, Tonga, Vanuatu, and two non-Pacific island countries—Jamaica and Mauritius. The study also reviews the state-owned enterprises (SOE) reform experiences of larger countries—New Zealand and Singapore—and identifies international trends.</p> <p>The presentation draws on data compiled for the 2016 study and discusses key lessons learnt to inform future SOE reform programs.</p>
<p>David Paul, Senator, Republic of the Marshall Islands (RMI)</p> <p><i>Reforming an SOE (The Marshalls Energy Company)—It is no Easy Task</i></p>	<p>Reforming a SOE – It is no easy task</p> <p>The Presentation will focus on the overview of Marshall Energy Company as a wholly government owned public utility in the Marshall Islands. I will assess MEC’s financial and operational situation prior to 2008 (when the energy crisis hit the RMI) and compare and contrast before during and after this event.</p> <p>The subsequent events thereafter the crisis hit the Marshall Islands and the steps taken by the country as a whole and the Utility in particular – all will be elaborated and discussed in specific details. The Comprehensive Recovery Plan a homegrown reform plan was adopted and implemented with specific KPIs. The plan became the blue print for the overall reform and recovery of the Utility.</p> <p>The Presentation will also focus on the challenges that were met in the midst of reform and recovery period as well as the missed opportunities. Finally I will discuss the sustainable way forward and how we have been able to maintain the momentum.</p>
<p>Sione ‘Akau’ola, CEO for Public Enterprises, Ministry of Public Enterprises, Tonga</p>	<p>Political Commitment and Governance: Two Drivers of SOE Reform in Tonga</p> <p>SOE reform is driven from the top - ministers and boards.</p>

<p><i>Political Commitment and Governance: Two Drivers of SOE Reform in Tonga</i></p>	<p>Tonga has been engaged in a broad ranging SOE reform program since 2007, but the global economic crisis in 2008/09 gave greater emphasis to the need for reform. A significant amendment to the Public Enterprise Act in 2010 introduced major governance and accountability reforms and reinforced the commercial focus of the SOEs. These reforms underpinned the improvement in SOE performance since 2009 and would not have been possible without the political commitment of the various Ministers of Public Enterprises over that period.</p> <p>That political commitment continues with the introduction of shared boards - a first for the Pacific. The intent behind shared boards is to strengthen governance and encourage SOEs to develop shared services. This will result in improved SOE oversight, a strengthened commercial mandate and reduced costs. Twelve months after the introduction of shared boards the results have been encouraging.</p>
<p>Kietau Tabwebweiti, National SOE Reform Specialist, Ministry of Finance and Economic Development, Kiribati</p> <p><i>Kiribati SOE Reform Experience</i></p>	<p>Kiribati SOE Reform Experience</p> <p>Persistent economic and public financial management issues from early 2002 led to stagnant (even negative) economic growth in Kiribati. The SOE sector contributed significantly as an increasing number of SOEs fell into serious financial hardship between 2006 and 2010 needing bailouts. These issues provided the initial impetus for intervention and reform. The presentation discusses the two broad workstreams of the Technical Assistance aimed to tackle SOE issues:</p> <p><i>Workstream 1: Institutional Reforms.</i> The major components of this workstream are discussed related mainly to institutional improvements particularly Governance and Accountability aspects.</p> <p><i>Workstream 2: SOE Transactions.</i> Describes the specific transactional reforms carried out on selected SOEs (basically those with serious financial issues) including completed sale and PPP transactions, SOE closures due to insolvency, and SOE transactions under work-in-progress. The impact on SOE numbers is shown together with a summary profile of the 16 SOEs currently active and a listing of the 12 SOEs expected to remain once the Reform program is completed.</p> <p>The presentation also presents lessons learnt, and some of the challenges ahead.</p>
<p>Parallel Session 1b: Tourism and Agriculture Development</p>	
<p>Marcus Stephenson, Head of School of Tourism, USP</p> <p><i>The Political Economy of Tourism Development in the South Pacific</i></p>	<p>The Political Economy of Tourism Development in the South Pacific</p> <p>This presentation paper will critically address the structure and shape of the political economy of tourism development in the small islands states of the South Pacific. The discussion will briefly critique the theoretical applications of dependency and underdevelopment to the study of tourism. This will provide a context with which to look more at the contemporary scenarios of the region, and how geo-political determinants and internal structures have changed, and how post-colonial forms of tourism development have been conceptualized. Despite tourism development transformations since the 1970s, social deprivation and economic impoverishment in various island communities prevail, with high levels of unemployment, limited economic opportunities, inadequate local infrastructure and restricted career pathways for local populations. The work will acknowledge the systematic variations in the local conditions of tourism development and identify new perspectives in understanding tourism development in the region, drawing concern over constructions of economic citizenship and ways in which the market (and capital) is counterproductive to the rights of local communities and citizens of the state.</p>

<p>Tim Martyn, Policy Officer, United Nations Food and Agriculture Organisation Sub-regional Office in the Pacific; Vili Caniogo Policy Adviser, Agriculture Pacific Community Land Resources Division, Suva, Fiji</p> <p><i>Agriculture and Tourism: Leveraging the synergies for growth in the Pacific Islands</i></p>	<p>Agriculture and Tourism: Leveraging the synergies for growth in the Pacific Islands</p> <p>Rising consumer demand for improved cuisine experiences provides an important opportunity for Pacific Island tourism and agriculture authorities to work together add value to both sectors. Forging closer economic linkages between tourism and the primary sector by facilitating increased supply opportunities, will help ensure rural incomes match growth rates in the urban sector, and reduce the rate of foreign exchange leakage; while increasing the variety of local food options available in tourism offerings will enable the Pacific island tourism industry to respond positively to consumer demand. A key challenge for Pacific Island Countries’ (PICs), however) is how to provide an enabling policy environment for private sector investment to meet this burgeoning opportunity for more local cuisine in the tourism industry including meeting exacting quality, consistency and food safety standards required by the industry.</p> <p>The aim of this paper is to showcase concrete examples of good policies for forging stronger linkages between the tourism industry and PIC farmers, including through the provision of tax credits, marketing benefits and co-ordination benefits.</p>
<p>David Freedman, Country Economist for Timor-Leste, ADB</p> <p><i>Coffee Supply Chain Development and Tourism in Timor-Leste</i></p>	<p>Coffee Supply Chain Development and Tourism in Timor-Leste</p> <p>Coffee has been grown in Timor-Leste for more than 200 years. It is the largest non-oil export and is grown by approximately 25% of all households. Timor-Leste is the birthplace of a unique coffee variety – the ‘Hybrido de Timor’ - and has the potential to produce highly prized coffee.</p> <p>Despite this potential, the industry faces severe challenges. Production has declined by around 80% since 1975 and most coffee farmers live in poverty. Productivity is very low and there is little prospect of replicating the high yield and low cost model that is prevalent in major exporting nations such as Viet Nam and Brazil. A focus on quality, product differentiation, and branding has been suggested as the best way for Timor-Leste to develop its industry by transforming Timorese coffee into a highly demanded niche product.</p> <p>The Asian Development Bank (ADB) has been working with industry stakeholders to understand the constraints to developing the coffee industry in Timor-Leste. ADB is a key part of an ongoing process to establish a coffee industry association that is led by the private sector and can work in partnership with the government and development partners.</p> <p>The paper provides an overview of global coffee industry trends and describes the opportunity that Timor-Leste and other Pacific Islands have to develop coffee as a high value niche product and the steps that would need to be taken to do this.</p> <p>The paper presents a detailed summary of the history of the coffee industry in Timor-Leste, its current status and prospects. This is used to illustrate more general points about how market structure can contribute to the under provision of key input services such as agricultural extension and public goods such as quality standards and regulation.</p>
<p>Chetan Shah, Senior Lecturer, Fiji National University; Salesh Kumar, Fiji National University; Vinesh</p>	<p>Agritourism and Policy for Linking Tourism and Agricultural Development</p> <p>In Fiji, agribusiness-tourism linkages could be one of the most promising avenues for diversification and inclusive growth. As the impetus of tourism increases in the Fijian</p>

<p>Kumar, Ministry of Agriculture</p> <p><i>Agritourism and Policy for Linking Tourism and Agricultural Development</i></p>	<p>economy, linkages with agriculture would create economic opportunities, build resilience and promote food security in rural communities and enhance sustainable development in both tourism and agriculture sectors. With a decline in the annual GDP contribution of agriculture in Fiji, farmers and other members of farm households are now looking for supplementary income sources. Among the various forms of on-farm diversification, agritourism is often indicated as having development potential for farms and rural areas.</p> <p>Expanding farm enterprises to provide agritourism opportunities can provide a mechanism that benefits owners, visitors and the farming communities. It offers financial soundness to a farm and adds to experience diversity for tourism. This calls for focused policies and regulations that would help in agricultural restructuring based on the use of farm resource base, autonomy and value adding thus helping in optimum commodification of the farm assets. These policies should also be restrictive so as to ensure uniform quality through parity in services offered and creating a pricing mechanism. The policy adoption attractiveness could be enhanced with incentivized schemes ensuring the implementation formula being simple to follow and easy to understand. As currently Fiji does not have a focused policy on agritourism, this paper attempts to study and utilize the best practices and policies of agritourism from around the globe that would help in the creation of sound and sustainable agritourism policies and practices in Fiji.</p>
<p>Parallel Session 1c: Disaster Response and Resilience</p>	
<p>Eci K Nabalarua and Akanisi N Vakawaletabua College of Humanities and Education and College of Business, Hospitality and Tourism Studies Fiji National University</p> <p><i>The Role of Community Engagement in Building Resilience Against Disasters</i></p>	<p>Enhancing Safety, Security, and Sustainability: The Role of Community Engagement in Building Resilient Communities Against Disasters</p> <p>In looking at the effect of climate change and global warming on small island states in the Pacific, the degree and intensity of these destructive and often catastrophic events take a high toll on small scale economies. This is evident in terms of vulnerable social and human capital, re-building confidence and hope in the face of loss of livelihoods, damaged infrastructure, compromised safety and security of communities and the overall efforts in national rebuilding and economic recovery. This paper looks at two models of community engagement. The first is a community policing model in terms of safety and security for building resilient and sustainable communities and the second looks at another home grown model of community participation. It goes on to argue that as a strategic public policy which embraces and articulates community policing and community participation they have the capacity to position communities with a level of preparedness and resilience before, during and after a natural disaster. The paper begins with an overview of the legal and social framework in the context of natural disasters to illustrate instances of gender inequality, increase in sex and violent crimes and manifestations of dysfunctional behavior. As a way to developing a holistic and sustainable response to addressing this, the paper utilizes the concept of community engagement through community policing as an approach to building resilience, confidence and ownership of safety and security by the general populace. It is proposed that both the Home-Run Model and the Community Policing Model embeds common values of community, shared interests, consensus, civic responsibilities, conservation measures, defined social spaces and a shared vision towards a sustainable future. This is achieved through partnership among law enforcement and public-private sector agencies and civil society. If managed well, community policing and community participation, can contribute to enhancing resilient communities and quality of life through empowerment strategies that focus on developing sustainable and mitigating responses to natural disasters and climate change.</p>

<p>Dan Orcheron, Centre for Sustainable Technology and Development, Fiji National University;</p> <p>David Mitchell, School of Science, RMIT University, Melbourne, Australia; Darryn McEvoy, School of Engineering, RMIT University</p> <p><i>Climate Vulnerability, Tenure Security, and Resettlement Priorities in Lami Town, Fiji</i></p>	<p>Perceptions of Climate Vulnerability, Tenure Security and Resettlement Priorities in Lami Town, Fiji Islands</p> <p>The future impact of climate change will be a considerable challenge for Fiji, an island nation already exposed to significant natural hazards. Fiji is also increasingly becoming urbanised, with many living in informal settlements. Fieldwork was undertaken in selected informal settlements in Lami in the Greater Suva Urban Area, to better understand perceptions of climate vulnerability, adaptive capacity, tenure security and options for resettlement. These settlements have high levels of disaster risk, and are already vulnerable to flooding, coastal erosion, earthquakes, landslides, and sea level rise. These settlements also tend to have poor security of tenure, low levels of adaptive capacity, and residents are vulnerable to being evicted from their dwelling or losing their access to land and livelihoods after a disaster.</p> <p>This research confirmed that two critical factors in any decision to resettlement people are (i) providing tenure security for all people affected, and (ii) considering livelihood impacts as a result of resettlement. We conclude that vulnerability; tenure security and resettlement decisions are complex issues and specific to individual settlements, and to specific households within settlements.</p>
<p>Tauisi Taupo, PhD Candidate, Victoria University of Wellington;</p> <p>Ilan Noy, Chair in the Economics of Disasters, Professor of Economics School of Economics & Finance, Victoria University of Wellington; Harold Cuffe, Lecturer School of Economics & Finance Victoria University of Wellington</p> <p><i>How Resilient are Poor Households in the Low-lying Islands of Tuvalu to Disasters?</i></p>	<p>How Resilient are Poor Households in the Low-lying Islands of Tuvalu to Disasters?</p> <p>Small island developing states are highly vulnerable and exposed to climate disasters. The impacts of these disasters are heavily felt by developing countries, particularly the poor and the vulnerable people. The empirical study for Tuvalu examine the hazard, exposure, vulnerability, and ability of the households to respond to cyclones that reveal policy implications for future adaptive capacity, lessening exposure, vulnerability reduction, and resilience enhancement. This study used primary data obtained from a detailed household survey (Pam module) that was carried out in the affected islands of Tuvalu by the Tropical Cyclone Pam (TC Pam). Disasters such as cyclones, droughts, and floods were ranked the top three stressors affecting households in Tuvalu. The study confirmed that a significantly large proportion of households, particularly the poor, were badly affected and suffered monetary losses from damages from the TC Pam. Moreover, the ability of households to respond to cyclones is limited by insufficient financial resources, the absence of proper early warning mechanisms, and the lack of administrative support for training and capacity building. This resulted in further hardship on the poor who are already struggling financially. Future climate risks are likely to drive the poor deeper into poverty unless we concentrate our policies to alleviate poverty and minimize the effects on them. We employed a disaster risk model using 321 household data from the affected islands of Tuvalu. Since most of our results conform to prior literature, we further strengthened the notion that low-income and poor households in small island developing states are more vulnerable and exposed to cyclones with less ability to respond to cyclones.</p>
<p>Parallel Session 2a: Climate Change and Disaster Response Financing</p>	
<p>Johannes Wolff, Economist (Public Finance), ADB</p> <p><i>Regional Approaches to Disaster Risk Financing in the Pacific</i></p>	<p>Regional Approaches to Disaster Risk Financing in the Pacific</p>

<p>Carola Betzold, Postdoctoral Research Fellow, University of Antwerp</p> <p><i>Aid for Adaptation to Climate Change in Oceania</i></p>	<p>Aid for Adaptation to Climate Change in Oceania</p> <p>Pacific Island Countries (PICs) are already experiencing the adverse impact of climate change yet often lack adequate resources (human and financial) to meet the challenges of changing climatic conditions. Donors on the other hand increasingly provide funds for adaptation – but to what extent do PICs benefit from this increase in adaptation aid?</p> <p>This paper examines adaptation aid committed to recipients in Oceania between 2010 and 2014 using data from the OECD. Specifically, the analysis tracks how much adaptation aid came to the PICs, which countries and sectors received how much, and which bilateral and multilateral donors provided this aid. Although the analysis is only a first step towards a more detailed understanding of adaptation aid flows in Oceania, some conclusions can be drawn. First, adaptation aid to PICs is only a small share of global adaptation aid as well as of total development aid to the region. Second, adaptation aid comes from only a small number of mostly bilateral donors, and is, third, distributed unevenly among PICs, in total adaptation aid, on a per capita basis as well as in percent of overall development aid. Finally, it is unclear from the OECD data to what extent vulnerable countries but also vulnerable communities and citizens within recipient countries obtain the funding they need to cope with the negative impacts of climate change.</p> <p>Tracking adaptation aid is crucial to allowing an assessment as to what extent donors fulfil agreed targets, and can also help shed light on aid effectiveness. The insights from the paper will thus be useful for both donors and recipients, as well as for other stakeholders interested in adaptation and development cooperation.</p>
<p>Susana Taua’a, Senior Lecturer, National University of Samoa</p> <p><i>The Practicability and Applicability of Payment for Ecosystem Services in the Protection of Samoa’s Watershed Areas</i></p>	<p>The Practicability and Applicability of Payment for Ecosystem Services in the Protection of Samoa’s Watershed Areas</p> <p>There is mounting evidence of studies conducted throughout the Developed and Developing world on the practicability and sustainability of implementing Payment for Ecosystem Services (PES) schemes particularly in relation to Watershed conservation. PES is a tool used to measure the economic value of ecosystem services provided by the natural environment. This study is a contribution to existing PES studies, focusing on the practicality of a PES program to protect and manage Samoa’s watershed areas. The Vaisigano watershed is the study site selected to demonstrate what is happening in the watershed, justify the introduction of a PES scheme for water conservation, identify strengths and weaknesses of a PES scheme and concludes with a suite of suggested pathways for a PES model in Samoa.</p>
<p>Stacy-ann Robinson, Scholar, Climate Change Adaptation, The Australian National University; Matthew Dornan, Development Policy Centre, Crawford School of Public Policy, ANU</p> <p><i>International Financing for Climate Change Adaptation in Small Island Developing States</i></p>	<p>International Financing for Climate Change Adaptation in Small Island Developing States</p> <p>Small island developing states (SIDS) are among the countries in the world that are most vulnerable to the impacts of climate change. SIDS have prioritised adaptation to climate change, but given the cost and their limited domestic financial resources, many have looked to attract international financing. It is commonly argued that SIDS are disadvantaged in their access to such funding compared to other developing countries but there is little empirical evidence in the academic literature to support this claim. This paper explores the issue by assessing the determinants of 2010-2013 adaptation financing commitments from the Organisation for Economic Co-operation and Development using a number of multivariate regression models, drawing on the aid allocation literature. It also explores the experience of SIDS with international climate change adaptation financing more broadly, drawing on data</p>

	<p>from interviews conducted between August 2014 and August 2015 with 65 national and regional climate change and finance officials in the Caribbean and Pacific. The study concludes that SIDS have not been disadvantaged in their access to climate adaptation financing to date, but neither have they received sufficient resources for adaptation. The extent to which the experience of SIDS reflects a 'fair' allocation of climate adaptation financing is also discussed.</p>
<p>Parallel Session 2b: Private Sector Development</p>	
<p>Ellen Milne, President, Republic of the Marshall Islands (RMI) Chamber of Commerce</p> <p><i>Through the Looking Glass on RMI's Private Sector Development</i></p>	<p>"Through the Looking Glass" on RMI's Private Sector Development</p> <p>The presentation builds on the theme by the novel author Lewis Carroll to reflect on RMI's private sector history, its present situation and what the future outlook holds. There is no doubt that RMI is facing challenging times ahead, perhaps even uncertainties, as US Compact funds are declining annually and set to end in 2023. In May 2003, RMI's initial Private Sector Assessment (PSA) was conducted, with the most recent assessment update conducted in April 2016. The focus of this presentation is to compare the 2003 and 2016 assessment to gauge the level of RMI's private sector development progress and to determine where RMI is at in terms of private sector growth and its reform efforts to improve the private sector environment. Although the 2016 PSA reports positive growth in the private sector, RMI's public sector continues to dominate the economy. With aid levels unlikely to increase, sustainable, future economic growth needs to be propelled by the private sector.</p>
<p>Malcolm Bossley, Country Team Coordinator, and Mujaddid Mohsin, Country Representative for Fiji, Market Development Facility</p> <p><i>Innovation and the Private Sector in Fiji</i></p>	<p>Innovation and the Private Sector in Fiji</p> <p>We would like to examine our experience in working with Fijian SMEs (and SMEs in other Pacific nations that MDF works in) over the last 5 years to explore the appetite of SMEs to research, invest in, and introduce innovations (products, services, or business models) into their businesses; challenges faced in introducing/ using these innovations; and finally the way forward for these SMEs with innovation (i.e. use of innovation as a resilience building measure both in business and the supply chain).</p>
<p>Anita Jowitt, Employer Representative, Vanuatu Tripartite Labor Advisory Council</p> <p><i>Building Better Government-Private Sector Policy Dialogue in Vanuatu</i></p>	<p>Building Better Government-Private Sector Policy Dialogue in Vanuatu</p> <p>Research has established that one of the major issues faced by the private sector in Vanuatu is how to build dialogue on policy issues between the government and the private sector. Improving policy dialogue is seen as critical for building a better environment for doing business. This paper will discuss initiatives to increase private sector/government/civil society policy dialogue in Vanuatu on employment policy via the establishment of the Tripartite Labour Advisory Council (TLAC) in statute. The experience of Vanuatu's TLAC has been far from perfect, but offers some lessons for moving towards a situation of better private sector/government/civil society interactions on policy issues. As many Pacific countries are implementing Decent Work Country Programmes in conjunction with the International Labour Organisation (ILO), and tripartite policy dialogue is a fundamental part of the ILO's approach, the lessons may have application for a number of countries who have implemented, or are considering implementing, similar tripartite structures. The lessons can also be generalized to policy fields outside of employment law and policy. This paper reflects both an academic analysis and the author's personal experience as an employer representative on Vanuatu's TLAC.</p>
<p>Emmanuel Joseph Iyabora, Lecturer, University of Fiji</p>	<p>Managing 'Wantok System' Influence: Improving Solomon Islands' Business Climate</p>

<p><i>Managing 'Wantok System' Influence: Improving Solomon Islands' Business Climate</i></p>	<p>The success of any business or an enterprise depends on its business environment. While it may be manageable to address the key strategic factors in the internal business environment, it is more challenging to manage the influential factors in the external business environment, but more so those that are related to the cultural factors. In Solomon Islands, and in other Melanesian countries like Papua New Guinea and Vanuatu, 'wantok system' has been singled out as one of the influential factors that contributed to the downfall of many small and medium size businesses. This paper explores how to manage the 'wantok system' influence in order to improve the business environment in Solomon Islands. A questionnaire and interviews were used to gather data regarding the 'wantok system' practices, the circumstances given rise to the practice of 'wantok system', and the potential prospects to manage the 'wantok system' influence in Solomon Islands. The preliminary results show that 'wantok system' is still pervasive in all sectors of the country. Ignoring it and adopting introduced cultures such as corporate culture alone proved to be very challenging. The conclusion can be drawn that businesses in Solomon Islands should focus their attention towards managing the 'wantok system' influence in order to improve the business environment. Following an in-depth analysis of preliminary research results, recommendations for managing the 'wantok system' influence will also be presented.</p>
<p>Parallel Session 2c: Managing Resource Rich Countries</p>	
<p>Filipe Nery Bernardo, Acting Coordinator, Petroleum Fund Administrator, Ministry of Finance, Timor-Leste</p> <p><i>Resource Management and Economic Diversification in Timor-Leste</i></p>	<p>Resource Management and Economic Diversification in Timor-Leste</p>
<p>Win Nicholas and Nelson Atip, Lecturers, University of PNG</p> <p><i>Survey of Papua New Guinea's (PNG) Economy</i></p>	<p>Survey of Papua New Guinea's (PNG) Economy</p>
<p>Jonathan Pryke, Research Fellow, Lowy Institute</p> <p><i>Mitigating the Downside of PNG's Natural Resource Dependency</i></p>	<p>Mitigating the Downside of PNG's Natural Resource Dependency</p> <p>Papua New Guinea's economy is more dependent on the natural resource sector, both as a source of economic growth as well as for government revenue, than almost any economy in the world. This dependency can have certain benefits. Because the natural resource sector is such a capital intensive industry a single investment, such as the recent PNG LNG project, can have a tremendous impact on macroeconomic indicators and economic growth. Natural resource projects also provide the government with much needed revenue in the forms of tax collection and royalty payments, and have the potential to have substantial impacts on inclusive growth, service delivery and broader development in a country if managed appropriately. This dependency, however, can also have significant downside risks. These include Dutch disease, a dependence on volatile international commodity markets, and a decline in government accountability as income is sourced from a small subsection of the formal economy rather than from a broadened and transparent tax base. Pure economic growth driven by the natural resource sector,</p>

	<p>unless properly planned, will also have limited impact on job creation and broader inclusive economic growth.</p> <p>This presentation will discuss how all of these factors have affected Papua New Guinea to date, and what Papua New Guinea can do in the future to mitigate the downside risks of being so dependent on natural resources.</p>
<p>Paula Norris, International Development Consultant</p> <p><i>Clusters as a Tool for Economic Growth: The PNG Cluster initiative</i></p>	<p>Are the Embedded Socio-cultural Trust and Relations Norms in the Diverse Communities of Pacific Countries Compatible with using Clusters as a Tool for Economic Growth? A Case Study of the PNG ICT Cluster Initiative</p> <p>Despite the critics of the Cluster concept, there is both some theoretical ground and some empirical evidence that Clusters can contribute to competitive advantage and economic growth, and may thus serve to enhance economic development policy. Whilst Clusters were initially associated with developed or more advanced economies, over the last 20 years or so, more and more Clusters have been initiated in developing and transition economies. This has been partly due to an increased interest on the part of international donors to support Cluster development.</p> <p>Research demonstrates that relations, trust and collaboration appear to influence, in a number of ways, the dynamics surrounding Clusters. There is also evidence that these relational dynamics can be affected by socio-cultural norms or practices, often termed as social embeddedness.</p> <p>In 2014, a pilot project for the initiation of a PNG ICT Cluster was funded through the BizClim instrument, an ACP-EU joint initiative financed under the 10th European Development Fund (EDF), in collaboration with the Pacific Islands Private Sector Organisation (PIPSO) and PNG private sector intermediary organizations. This paper examines the impact of the Cluster initiative on relations, trust and collaboration amongst Cluster stakeholders. Not only does the pervasive social diversity of PNG and its inherent lack of trust present an interesting and unique context within which to undertake enquiry into relations, trust, collaboration and social embeddedness, but a study centered on an ICT Cluster, where knowledge and information exchange, requiring high levels of mutual understanding and trust are considered as key drivers, presents an exciting extra dimension to such academic enquiry. The research provides some indications of the likely successes or barriers for the present pilot Cluster, as well as useful information for policy makers and donors on the future initiation of Clusters in PNG and the Pacific.</p>
<p>Plenary Session 5: Renewable Energy</p>	
<p>Bokhwan Yu, Deputy Dean, ADBI</p> <p><i>How to Build Institutional Capacity for Green Energy</i></p>	<p>How to Build Institutional Capacity for Green Energy</p> <p>The aim of this presentation is to give policymakers a greater understanding of how to develop green energy. Evidence is provided from the Korean case, where various institutional changes were implemented to deliver a paradigm change which pushed green energy forward in the country.</p> <p>The aim of this presentation is to give policymakers a greater understanding of how to develop green energy. It will first answer why green energy is important, and explain how the current policy space is evolving. There will discussion on green energy opportunities in Asia and the Pacific. Evidence will then be provided from the Korean case, where various institutional changes were implemented to deliver a paradigm change which pushed green energy forward in the country.</p>

<p>Dallas Young, Commercial Manager, Rarotonga Electricity Authority, Cook Islands</p> <p><i>Path to 100% Renewable Energy Coverage in Rarotonga, Cook Islands</i></p>	<p>Path to 100% Renewable Energy Coverage in Rarotonga, Cook Islands</p>
<p>Mafalu Lotolua, General Manager, Tuvalu Electricity Corporation</p> <p><i>Challenges with Moving to Higher Renewable Energy Penetration in Tuvalu</i></p>	<p>Challenges with Moving to Higher Renewable Energy Penetration in Tuvalu</p> <p>In 2009, the Government of Tuvalu set a target of 100% renewable energy. In 2012 the 10-year Master Plan was born to fulfil the Government’s target of 100% renewable by 2020.</p> <p>The Plan has two stated goals; (i) to generate electricity with 100% renewable energy by 2020; and (ii) to increase energy efficiency on Funafuti by 30% The 100% target is guided by the REEE Master Plan which is directly linked to the Tuvalu National Sustainable Development Plan (Te Kakeega III), the Climate Change Policy (Te Kaniva), and the Tuvalu National Energy Policy 2009.</p> <p>The Master Plan has identified the most proven technologies for Tuvalu to meet its target and the Implementation Strategies are as follows:</p> <ul style="list-style-type: none"> • 60-95% - Solar • 0-40% - Wind • 5% - Biodiesel • 30% - Energy Efficiency <p>The Renewable Energy space in Tuvalu, for seven outer islands total to 1,212kW of solar PV with storage total to 244,020AH and 756kW of grid-connected solar PV for Funafuti, which 436kW is controlled with SMA Fuel Saver and 320kW uncontrolled – feeding directly into the grid. So the present overall share of renewable energy in power generation is 29% and increase to 43% in 2017 after the World Bank Energy Development Project.</p> <p>Energy Efficiency is also important to avoid additional renewable energy generation. The Energy Efficiency Act has been endorsed by Parliament in April 2016 and this will restrict the importation of five non-efficient appliances into the country, this includes refrigerators and chest freezers, air-conditioning unit, lights and washing machine. There are activities under the energy efficiency portfolio that covers by various donors and are all contributing to the achievement of the 30% as stated in the Master Plan.</p> <p>As we move towards high level of RE penetration, there are challenges associated with that will raises the potential interconnection and challenges associated with system safety, reliability and imbalance and demand.</p> <p>These challenges can be mitigated by using storage or limit the maximum output of solar/wind generation so the maximum limit is not exceeded under brief periods when there are wind gusts or the shine fully.</p>

	<p>The impact of RE development against BAU, seen that significant reduction in fuel consumption which will helps the Tuvalu Electricity Corporation to operates efficiently.</p> <p>The 100% renewable energy target can be achieved but a huge challenge to the government to truly fulfill the vision of 100% by 2020</p>
<p>Anthony Garae, Director of the Dept. of Energy, Ministry of Climate Change, Vanuatu</p> <p><i>Renewable Energy Update in Vanuatu</i></p>	<p>Renewable Energy Update in Vanuatu</p> <p>The presentation covers the following:</p> <ul style="list-style-type: none"> • Country context • Energy sector challenges • Vanuatu National Energy Road MAP (NERM) update • Deployment of Renewable Energy in country to date basically in terms of increasing • Recent Studies and Policies for Off-Grid Electrification • Key Actions & Way Forward - Electrification the share of RE in Power Generation within the concession/Grid area • Ongoing and Proposed Actions to Increase Rural Energy Access in Off-Grid Areas • Of Remote Off-Grid Households & • Support Needed
<p>Parallel Session 3a: Labor Mobility and Migration</p>	
<p>Gerson Jackson, Former Ambassador to Fiji, Federated States of Micronesia (FSM)</p> <p><i>Sustainable Development Needed in the FSM to Prevent Migration</i></p>	<p>Sustainable Development Needed in the FSM to Prevent Migration</p> <p>Changes in the climate’s patterns are impacting the Federated States of Micronesia’s food and water security, especially outlying, atoll islands. A combination of adaptation and mitigation development is critical at this time to address living conditions and prevent relocation. Food security is threatened by the decline in 1) crop production due to sea water inundation from storm surges and intensifying typhoons and decline in 2) the reef fishery due to coral acidification from soil erosion and ocean temperature. Water security is threatened by 1) sea water intrusion on the water lens and 2) increasing costs to import water 3) poor existing infrastructure and 4) episodes of drought. If sustainable solutions are not addressed, the entire region will face the greatest influx of Micronesian migration to date, possibly with climate refugee status. Policy needs to reflect and encourage the best, locally appropriate, emerging practices/technologies available. Security vs. relocation can only be resolved by the collective efforts of experienced development practitioners, environmental and technology experts, and the FSM government.</p>
<p>Michael J. Levin, Independent Consultant; Hideichi Mori, University of Hawaii</p> <p><i>Socioeconomic Effects of Migration and Remittance Flows Among FSM Migrants</i></p>	<p>Developments in Migration and Remittance Flows Among FSM Migrants and their Socioeconomic Effects</p> <p>Although modern emigration from the Federated States of Micronesia (FSM) started during the middle part of the American Administration, and a large group of students left starting in the late 1970s, increased migration flows really picked up after the Compact of Free Association was implemented in 1986. Microdata from the FSM National censuses of 1994, 2000, and 2010 combined with migrant surveys to Guam, CNMI, Hawaii and the U.S. Mainland between 1992 and 2012 show counts and characteristics of the potential and actual migrants. And, unlike Tongan and Samoan migration, FSM migrants do not remit in the same amounts or percentages of income. Instead, the migrants save much of what would be remittances to bring the next family members out because of the non-visa access allowed under the Compacts. Here, we look at the changing characteristics of current migrants and the next generation to see the relationship of education, work status, language use and</p>

	<p>housing conditions to assess the likely flows of migrants. Even though migrants remit less than their South Pacific counterparts, they still send substantial amounts to some of the families depending on where in the U.S. and its territories they reside. Also, as migrants move from the outer islands to FSM State Capitals to Guam, Hawaii, and the U.S. Mainland, their income and remittance patterns change as they settle and become established. Future implications for economic development in the FSM based on the total potential workforce are discussed.</p>
<p>Patricia J. Kailola, A/CEO, Pacific Dialogue Limited</p> <p><i>The Hidden Crime of Human Trafficking in the Pacific Islands Region</i></p>	<p>The Hidden Crime of Human Trafficking in the Pacific Islands Region</p> <p>Human trafficking is a modern form of slavery. It is happening in probably all of the countries in the Pacific Islands region - from Papua New Guinea to Samoa. For example, all eleven Pacific countries discussed in the 2015 Global Trafficking-in-Persons Report of the U.S. State Department are ‘source, transit, and destination’ countries for victims.</p> <p>And that is on the land. Trafficking and human rights abuses are also taking place at sea, largely on some Distant Water Fishing Nation fleets operating in the Pacific’s industrial tuna fishery.</p> <p>That so very few Pacific Islands people know what is human trafficking, the region has become – and becoming more-so – a lucrative and ‘happy hunting ground’ for groups that engage in transnational crime, of which trafficking in people forms a significant portion. People are innocent; policy-makers generally are oblivious.</p> <p>Visa-free access, tourism being facilitated as a means of increasing government revenues, ease of access by large international corporations to the Pacific’s natural land and sea resources, Pacific nations desiring to shake off traditional alliances with Western countries, and the overall inability of under-resourced national policing bodies to control the activities of large international crime syndicates, are some of the reasons why human trafficking (and with it the movement of drugs and illegal weapons) has become established in the Pacific Islands region.</p> <p>This presentation will reveal the Pacific Island nations’ almost complete lack of willingness to control human trafficking in their region, and the implications of that failure for the future of Pacific peoples.</p>
<p>Macnos Mutano, Junior Economic Affairs Officer, Office of the Chief Trade Adviser</p> <p><i>The Effectiveness of Australia and New Zealand’s Seasonal Workers Schemes in Promoting Sustainable Economic Development in the Pacific</i></p>	<p>Assessing the Effectiveness of Australia and New Zealand’s Seasonal Workers Schemes in Promoting Sustainable Economic Development in the Pacific</p> <p>I aim to present reforms to Australia and New Zealand’s (ANZ) Seasonal Worker Programme (SWP) and Recognised Seasonal Employer (RSE) respectively that can strengthen them to the mutual advantage of both the Pacific Island Countries (PICs) and ANZ. This is a unique approach in the study of both schemes in that little prior research has been done on the topic of assessing the effectiveness of the schemes in promoting sustainable economic development. I aim to demonstrate that with the inclusion of semi-skilled workers and more sectors of ANZ’s economy to the SWP and RSE will help the PICs achieve sustainable economic development.</p> <p>The PICs face unique challenges that combine to make sustainable economic development difficult to achieve. Most are characterized by a small population long distances from major markets making transportation costs high. Whereas shipping costs have not substantially declined since the 1950s, air transport costs have skyrocketed (Hummels, 2007). The aforementioned challenges mean that labor</p>

	<p>mobility takes on added importance for the PICs as a driver of development for these countries, especially since it has been shown to have a positive effect on poverty reduction in the sending countries (Puri, 2008).</p> <p>In order for the PICS to benefit from the expanded SWP and RSE schemes covering semi-skilled occupations it will be important for there to be an upscaling of vocational training initiatives in the PICs so as to help produce more semi-skilled workers. By doing so ANZ can have an expanded pool of workers to fill vacancies in sectors such as aged care where positions are difficult to fill. To guard against brain drain and ensure that the PICs are the main beneficiaries of the semi-skilled workers the SWP and RSE should remain demand-driven and short-term. This will in turn help the PICs achieve sustainable economic development.</p>
<p>Parallel Session 3b: Roads and Transport Infrastructure</p>	
<p>Naoyuki Yoshino, Dean, Asian Development Bank Institute; Masaki Nakahigashi; and Umid Abidhadjaev</p> <p><i>Economic Spillovers of Infrastructure Spending</i></p>	<p>Spillover Effects of Infrastructure Investment and Enhancing Bankable Infrastructure Projects</p> <p>This paper analyzes the economic effect of infrastructure focusing on the productivity effect of public investment, and discusses how to promote the spending of private-sector money for infrastructure investment through enhancing the rate of return to investors by taking away part of spillover effects from regional tax revenues and return to the investors in infrastructure. In traditional infrastructure investment, returns from infrastructure rely on the toll fees or train fees which are often regulated by the government to keep the price low. Private investors are difficult to obtain adequate rate of return. Therefore bankable projects were scarce in Asian region.</p> <p>This paper proposes the increment of tax revenues along the highway or railway which is coming from the spillover effects of infrastructure should contribute certain fraction of tax revenues (say 30%) to investors in infrastructure. In order to do so, the increment of tax revenues along the infrastructure investment has to be computed. This paper empirically estimates spillover effects both by use of macroeconomic data and micro data.</p> <p>PPP (Public Private Partnership) is advocated. If the proposed method of returning spillover effects on regional tax revenue to investors in infrastructure, many bankable projects will be created. Furthermore, tax revenues accrued from spillover effects were paid every year to next neighbor countries where the highway or the railway will run through, the cross border infrastructure will become easier to construct.</p> <p>The paper will start from the measurement of spillover effects by use of Macroeconomic data of Japan and the railway data from Uzbekistan. The method of the computation of spillover effects is mathematically explained. Empirical results will be presented. The last section will demonstrate the increase of the rate of return when the part of the tax revenues would be returned to the infrastructure investors. If the proposed method can be used in real infrastructure construction, wide variety of applications would be created.</p>
<p>Setareki Macanawai, CEO, Pacific Disability Forum</p> <p><i>Improving PWD Accessibility in Transport Infrastructure in the Pacific Islands</i></p>	<p>Improving Accessibility in Transport Infrastructure Projects in the Pacific Islands</p> <p>The Pacific Region Infrastructure Facility (PRIF) is publishing the findings of a research study carried out in conjunction with the Pacific Disability Forum and Pacific Islands Forum Secretariat, to enhance accessibility in the transport sector and built environment in Pacific island countries.</p>

	<p>Although the study concerns all modes of transport – aviation, road and maritime – a key problem identified is the lack of connectivity for pedestrians moving about in their communities. In many Pacific countries, footpaths do not offer a comprehensive network and are generally built without reference to recognised standards for accessibility. Furthermore, trees, parked vehicles, lamp posts, rubbish bins and other street furniture can obstruct footpaths, making it difficult for people with disabilities to move around in the community. Consequently, people with disabilities tend to stay at home and are rarely seen outside.</p> <p>Addressing deficits in road, aviation and maritime transport requires a combination of three elements: Engineering, Education, and Enforcement (the three ‘E’s). Engineering deals with developing and regularly updating accessibility standards and guidelines to ensure they remain current and are incorporated into design work for infrastructure projects. Education concerns the training required for Pacific authorities, disabled persons’ organisations and among development partners to understand the how and why of standards and guidelines on accessibility. Enforcement requires commitment by governments to ensure the appropriate legislation and regulations are in place, that it is clear who has responsibility for enforcement of the standards, and that assessments and audits are conducted.</p>
<p>Christopher Edmonds, Senior Economist, ADB</p> <p><i>Evaluating the Impact of Road Upgrading and Maintenance: A PNG Highlands Study</i></p>	<p>The Impact of road infrastructure development on household welfare in Papua New Guinea</p> <p>Using two rounds of Household Income and Expenditure Survey data and data from the road asset management system (RAMS), we assess how access to road infrastructure affects household welfare in rural Papua New Guinea. Based on the latest survey (2009/10), we find that a one percent increase in the distance to the nearest road is associated with a three percent decrease in real consumption, lower housing quality, and a higher probability of living as a subsistence farmer. This finding is in line with research of Gibson and Rozelle (2003) based on the earlier household survey from 1996. We also investigate the effect of road condition and surface type through travel time to the nearest urban area. We exploit the variation in these variables over the period from 2000 to 2009 to employ the equivalent of a village-level fixed effects estimator. We consistently find negative impacts of travel time to nearest town on real expenditure, housing quality, and school enrollment. The particular effects of condition and surface type are less pronounced, however our preliminary findings indicate that housing quality improves where roads are improved.</p>
<p>Matthew Dornan, Deputy-Director, DPC, ANU</p> <p><i>Road Maintenance and Decentralization: The Case of PNG</i></p>	<p>Road Maintenance and Decentralization: The Case of PNG</p>
<p>Parallel Session 3c: Training the Next Generation of Leaders</p>	
<p>Lekshmi N. Pillai, Executive Dean, School of Business & Public Policy, University of PNG</p> <p><i>Sustainable Value Creation through Networking</i></p>	<p>Sustainable Value Creation through Networking</p>

<p>Fernando Baptista Anuno, Dean of Faculty of Economics and Management, Timor-Leste National University</p> <p><i>Challenges Faced by Future Entrepreneurs in Timor-Leste</i></p>	<p>Challenges Faced by Timorese Entrepreneurs to Become Future Entrepreneurs in Timor-Leste</p>
<p>Peni Tawake, Program Officer; Tarusila Bradburg, Secretariat Coordinator, Pacific Youth Council</p> <p><i>Supporting Developmental Leadership Among Youth in the Pacific</i></p>	<p>Supporting Developmental Leadership Among Youth in the Pacific</p> <p>Pacific Leadership Program is an Australian government funded program, and has been the principal donor partner of the Pacific Youth Council (PYC) since its re-establishment in 2009. PYC is the regional peak body for national youth councils across the Pacific region, connecting its membership with regional and international development partners to promote inclusive policies and legislation for key issues for young people.</p> <p>PYC supports its membership to lobby on key youth issues including employment, climate change, anti-corruption initiatives. PLP's robust partnership with PYC has allowed for frank discussions on the role of advocacy and lobbying in bringing about substantive change for young people, the need to work collectively with stakeholders to progress issues and confirming shared understanding of positive development outcomes for young people, particularly in relation to youth unemployment.</p> <p>PYC will discuss its successes, learnings and ongoing challenges in working with a key development partner to achieve positive development outcomes on specific issues for young people.</p>
<p>Judy Burnside-Lawry, Senior Lecturer, RMIT University; Elisabeth Holland, Director PACE-SD, University of South Pacific; Morgan Wairiu, Deputy Director PACE-SD, USP; Sarika Chand, Communication Manager, PACE-SD, USP; Rosa Franquet University Autonoma Barcelona</p> <p><i>Building Future Climate Leaders: Leadership and Communication Training for COP 21</i></p>	<p>Building Future Climate Leaders in the South Pacific: Leadership and Communication Training for COP 21</p> <p>“The whole world has heard our Pacific voices; we have been a great influence to the COP21” were the words used by François Martel, Secretary General of the Pacific Islands Development Forum, to summarize outcomes from the largest climate change negotiations ever held, the United Nations Conference of the Parties (COP21) in Paris, November 2015.</p> <p>The COP 21 Pacific delegation was supported by a highly trained group of students and staff from The University of the South Pacific who provided technical assistance, negotiation, media and communication expertise in order to strengthen the Pacific voice and to help their regional delegations negotiate a better future for the Pacific. This paper describes a Leadership and Communication program developed specifically for sixteen students from the University of the South Pacific (USP) and the NGO/CSO representatives selected to support the Pacific delegation during COP21. The European Union’s PACE Net Plus Funding enabled three universities from the South Pacific, Australia and Europe to collaborate on design of the innovative four day program.</p> <p>The paper presents the participatory action methodology used by RMIT University, University of Barcelona and USP to identify participant training needs, design, implement and evaluate a series of participatory, interactive workshops. The paper concludes with a summary of the project’s outcomes, including a proposal to build</p>

	<p>on the success of the capacity building workshops by developing a 'Leadership and Communication Program for Emerging Climate Leaders' across the wider Pacific region.</p> <p>There is no doubt the Pacific Island countries had a strong voice during the meetings in Paris. This paper provides evidence that the PACE NET Plus Leadership and Communication program's content of climate science, climate finance, law, negotiation, media and communication, provided a group of emerging Climate Leaders with the expertise to support their Pacific Island delegations to 'lead by example' in the run up to Paris and during the Paris negotiations itself.</p>
Parallel Session 4a: Governance	
<p>Cameron Bowles, Director of Strategy, Policy, and Planning, SPC</p> <p><i>When's a Crisis not a Crisis? Opportunities for Pacific Development?</i></p>	<p>When's a Crisis not a Crisis? Opportunities for Pacific Development?</p> <p>Governments, regional organisations and NGOs spend much time and resources working to prevent, mitigate and recover from crisis. Crisis includes not only devastating natural disasters and climate change, but also political crisis, economic shocks, violence against women, organisational financial stress and misfortune at community and organisational levels. Few would question that preventing or reducing the effects of crisis is a worthy and noble pursuit. However are we in danger of being myopic? So busy trying to calm things down that we miss the opportunities? There's a saying "never waste a crisis". Are the difficult times of a crisis also the moments when priorities and direction can be re-evaluated or urgency generated to tackle issues that were seemingly intractable before the crisis? If so, what can be done to assist these opportunities to be realised? With reference to the work of the Developmental Leadership Program; the Pacific Leadership Program; the adaptive leadership model developed by Ron Heifetz and Marty Linsky of Harvard Kennedy School; work on crisis opportunities by the Cranfield School of Management (UK) and others, this paper explores the opportunities of crisis within the specific development context of the Pacific.</p>
<p>Wawan Juswanto, Senior Economist, ADBI</p> <p><i>Efficiency and Fairness in Government Expenditure</i></p>	<p>Efficiency and Fairness in Government Expenditure</p> <p>The presentation will discuss the Papua New Guinea government's spending in the education sector. In medium to long term, Education, especially basic (primary and lower-secondary) education, is an important factor in reducing the poverty by increasing the productivity of the poor, reducing fertility and improving health and equipping people with the skills they need to participate fully in economy and society. Government spending has an important role on providing free or cheap education services for the poor. However, government needs to make sure that the spending is received by the right segment of population.</p> <p>This presentation will show an alternative tool that can be used by policy makers for better targeted government spending. It utilizes household survey data. The tool can be used to identify who receives benefit from the spending. Identifying beneficiary of the budget is a crucial step of the budget process, especially for targeted spending.</p>
<p>Josh Utoikamanu, Consultant and Former Director, PICPA</p> <p><i>Public Sector Asset Management in the Pacific Islands</i></p>	<p>Public Sector Asset Management in the Pacific Islands - Regional Overview</p> <p>The poor state of public sector infrastructure assets in the Pacific Countries has been identified as a factor contributing to poor economic growth of the region. The paper discusses the state of asset management, in particular of economic infrastructure assets, in the Pacific Countries. It begins with a brief introduction to the physical characteristics of the Pacific countries followed by a description of the conditions</p>

	<p>and performance of economic infrastructure and an assessment of public sector asset management practices. The paper discusses the Pacific Countries' characteristics of size, remoteness, population growth and dispersion as well as vulnerability to natural disasters and the impact of climate change. It discusses the constraints of weak political capacity together with poor technical and public administration capacity combining to make effective asset management challenging. The reforms of the public sectors in the Pacific Countries are discussed as one of the key factors affecting effective infrastructure asset management. The paper discusses the options for addressing the challenges of funding constraints, building the right incentives through greater clarity of the roles of those involved in asset management as well as strengthening institutional capacity.</p>
<p>Tess Newton Cain, Principal, TNC Pacific Consulting</p> <p><i>Where did our Renaissance Go? Challenges Facing the Melanesian Spearhead Group</i></p>	<p>Where did our Renaissance Go? Challenges Facing the Melanesian Spearhead Group</p> <p>One of a number of manifestations of 'The New Pacific Diplomacy' during the period 2009 - 2015 was the renaissance of the Melanesian Spearhead Group. We saw some very significant things achieved diplomatically, politically and in relation to increasing intra-Melanesian trade. But since late last year there have been a number of challenges that have presented themselves. This presentation examines these challenges and considers how they may affect the institution of the Melanesian Spearhead Group in the short to medium term. It will include a commentary on the outcomes of the MSG leaders' meeting held in Honiara July 14th.</p>
<p>Parallel Session 4b: Climate Change Adaptation and Education</p>	
<p>Hirdesh K. Sachan, Head of Department of Crop Production, FNU; Sevina, FNU; Deeksha Krishna, FNU</p> <p><i>Information Needs for Climate Change Adaptation among Farmers in Fiji</i></p>	<p>Information Needs for Climate Change Adaptation among Farmers in Fiji</p> <p>The need for proper information on climate, warnings and forecasts can help to prepare rural farmers for climate change adaptation. Ocean warming, frequent tropical cyclones, floods and droughts are likely to have historic impact on agriculture and food production in Fiji. The indigenous food production is vital as the majority of rural people still lives and depend on subsistence agriculture. Awareness measures can be simple and low cost. For example the danger of disease outbreaks increases during periods of flood, so focusing on simple measures such as hand washing can go a long way to reducing illness. Wise water use messages can help conserve water in droughts and flood warnings can be used to dig trenches to improve water flow to avoid damage to houses and crops. Presented paper was aimed to analyze farmers' responses on agro meteorological and agricultural information needs in Fiji. The study is based on primary survey using a structured questionnaire of 120 farmers in which 75 percent of participated farmers were from Nadroga Province, Fiji. Results indicate that out of 120 farmers 60.8 percent were female and 39.2 percent were male farmers and 83.3 percent were having primary education. This analysis has serious consequences for science, training, education and extension needs in agro meteorology. The farmers required information on weather, warnings and forecasts, soil management, credit availability, and farm management, besides awareness on improved seedlings, fertilizer and insecticides. The information needs of farmers should, therefore, be more personalized along the favoring their needs.</p>
<p>Sarah Hemstock, The Pacific Community; Helene Jacot Des Combes, USP; Tess Martin, Senior Lecturer, USP; Linda Vaike, USP; Kevin</p>	<p>Sustainable Quality Assured Accredited TVET Qualifications for Climate Change Adaptation and Disaster Risk Management in the Pacific Islands Region: An EU-PactVET Initiative.</p>

<p>Maitava, USP; Leigh-Anne Buliruarua, USP; Viliame Satiki, FNU; Nixon Kua, The Pacific Community; Titiana Marawa, Secretariat of the South Pacific</p> <p><i>Quality Assured TVET Qualifications in Resilience for the Pacific Islands Region</i></p>	<p>The Pacific Small Island Developing States (P-SIDS) are extremely vulnerable to climate change impacts and natural hazards due to their geographical location, topography and major economic sectors (agriculture, tourism and fisheries). Regionally, leaders are aware of this vulnerability and many climate change adaptation (CCA) and risk reduction projects have been conducted by different stakeholders. However, much of the training associated with these development projects has been non-formal, ad-hoc and focused on basic climate change awareness.</p> <p>A regional needs and gap analysis has identified that formal qualifications that account for local contexts are required to build national capacity. Additionally, although a Pacific Qualifications Framework exists to support a regional approach to education and training, the practical application led by The Pacific Community (SPC) is still under development.</p> <p>The development of regionally-specific quality assured qualifications in CCA and disaster risk reduction/disaster risk management (DRR/DRM) in this context is ground breaking and is the impetus for the European Union Pacific Technical Vocational Education and Training in Sustainable Energy and Climate Change Adaptation Project (EU PacTVET). The EU-PacTVET project is integrating a number of leading-edge initiatives in this development work. In particular, the establishment of an agency (Federation of Climate Change Adaptation Practitioners) to enable industry endorsement of the new qualifications will also professionalize climate change adaptation practice (including DRM/DRR). Furthermore, the development of regional qualifications with streams and competency skillsets that integrate CCA and DRR/DRM will support the regional Strategy for Climate and Disaster Resilient Development in the Pacific region that is yet to be adopted. At the same time these new developments in education and training will incorporate a quality system for recognition of formal and informal learning in CCA which will advance the application of many Pacific national and regional policy statements on Recognition of Prior Learning (RPL).</p>
<p>Shipra Shah, Lecturer, FNU; Elik Senivasa, Ministry of Fisheries and Forests, Fiji; Vinesh Prasad, SPC - Pacific Community</p> <p><i>Policy Initiatives to Promote Climate Smart Production Systems</i></p>	<p>Policy Initiatives to Promote Climate Smart Production Systems</p> <p>Smallholder farmers in the Pacific Island Countries are among the most vulnerable to the impacts of climate change. Climate change is projected to have severe impacts on agriculture such as declining productivity, increased stress due to weeds, pests and diseases, accelerated soil erosion and land degradation as well as heat and drought damage, all of which spell an impending doom for global food security. In the face of these imminent challenges lies the opportunity to transform our food production systems into climate resilient sustainable agro ecosystems which can secure the livelihood of vulnerable communities in Fiji and the Pacific. The role of agroforestry in food security, climate change mitigation and adaptation, is being increasingly recognized in policy dialogues on climate change at local and global levels. Agroforestry is a climate-smart production system that can improve the resilience of communities to climatic variability by diversifying environmental and socio-economic benefits to subsistence farmers. Insecurity of land tenure, constraints on effective capacity building, unavailability of good quality planting material, lack of well-developed markets for agroforestry produce and financial incentives, are some of the key factors impeding the large scale adoption and implementation of agroforestry in the Pacific. For Small Island Developing States like Fiji there is a strong need to enact a National Agroforestry Policy to ensure</p>

	widespread adoption of such sustainable land use systems by small scale farmers on the one hand and promote investments in the sector on the other.
Parallel Session 4c: Regional Trade and Export Competitiveness	
<p>Veniana Qalo, Trade Policy Adviser, Pacific Island Forum Secretariat (PIFS)</p> <p><i>An Update on Bilateralism and Development: Emerging Trade Patterns in the Pacific</i></p>	<p>An Update on Bilateralism and Development: Emerging Trade Patterns in the Pacific</p> <p>Bilateralism often best achieves their proponent’s pursuit of trade/commercial objectives and often responds to shifts in trade patterns between developing and developed countries. As such, it reflects an important aspect of contemporary global trade: that comparative, and competitive advantage is in a constant flux. The most pernicious agreements arise from a political response to domestic pressures to protect sunset, and often uncompetitive industries.</p> <p>A major set of agreements have been concluded or currently negotiated by many of the world’s largest economies with significant share of global trade and investment. The sheer economic, geopolitical and potential impact on the global trading system have been flagged by many. Realists argue that these proxies for great power competition between the US and China to exert regional influence and dominance in the Asia-Pacific region whilst liberals are of the view that these regional institutions are developed from common interest of negotiating Parties and serve as hubs in global value chains. These agreements have also been touted as seeking regulatory compatibility to harmonize differences in investment, trade and business climates and has the potential to redirect trade rules in the 21st Century.</p> <p>The presentation will focus on modern Bilateralism occurring through some of these major agreements, namely the US-China BIT, EU-China BIT, the TTIP between the EU and US, the TPP and the Regional Comprehensive Economic Partnership Agreement. It will discuss some of the important aspects of contemporary global trade and development emanating from this process and nuances around the consolidation process evolving in the Asia-Pacific region as part of the building block to the Free Trade Area of the Asia-Pacific (FTAAP).</p> <p>The presentation will also attempt to unpack the impact of these agreements on the future trade and investment dynamics in the Pacific region.</p>
<p>Wesley Morgan, Lecturer, USP</p> <p><i>Marginalization Postponed? Trade Negotiations in the Pacific Islands</i></p>	<p>Marginalization Postponed? Trade Negotiations in the Pacific Islands</p> <p>Contemporary trade negotiations between Pacific island governments and metropolitan powers have proved protracted, difficult and controversial. Decade-long negotiations for a regional Economic Partnership Agreement (EPA) between Pacific island countries and the European Union (EU) have foundered. In July 2015, Papua New Guinea withdrew from the EPA talks altogether. Similarly, progress toward a new trade agreement between the Pacific island countries and Australia and New Zealand – formally mooted in 2000 – has been slow.</p> <p>Pacific governments contend that <i>unique</i> provisions are required in new trade agreements if island states are to avoid being permanently marginalised in an increasingly liberalised global economy. They have sought to broaden the remit of regional trade negotiations to include issues of unique interest to the island states, like labour mobility and development assistance. For their part, officials from Brussels, Canberra and Wellington have sought to avoid setting precedents that could entail obligations in negotiations with more significant trading partners.</p>

	<p>While negotiations have been difficult, Pacific island states have made small gains. European policymakers have agreed to rule changes allowing more fish to enter the EU market duty free. More significantly, Australian and New Zealand officials have opened the door for guest worker schemes for Pacific islanders. Increasingly however, solutions to the trade-related challenges facing Pacific island countries are being found <i>outside</i> of World Trade Organisation (WTO) compliant regional trade agreements.</p>
<p>Benjamin Radoc, Advisor, ADB</p> <p><i>Evolving Trade and Economic Linkages between the Pacific and Asia</i></p>	<p>Evolving Trade and Economic Linkages between the Pacific and Asia</p> <p>The ADB project <i>Evolving Linkages of Pacific Economies</i> examines the experience and structural potential of selected Pacific developing member countries to engage and integrate in key areas of external economic activity. The project's book publication reviews the broad trends in six areas of external linkage (finance, labor and remittances, overseas development assistance, tourism, import trade, and export trade) and uses detailed case studies to explore processes that drive the changes in these external linkages. This presentation highlights selected trends in merchandise exports in the Pacific, the determinants of bilateral trade, and Pacific countries' revealed comparative advantage in natural resources, and niche agricultural and aquaculture products.</p>
<p>Parallel Session 5a: Fisheries</p>	
<p>Moses Amos, Director of the Division of Fisheries, Aquaculture and Marine Ecosystems, Secretariat to the Pacific Community (SPC)</p> <p><i>Community-based Approaches to Fisheries Management in Kiribati</i></p>	<p>The Role of Coastal Fisheries in Averting the Food, Health And Employment Crisis in The Pacific Region</p> <p>Ineffective and weak coastal fisheries management threatens food security and critical livelihoods in the Pacific region, where coastal fisheries resources are of fundamental importance in terms of food security and livelihoods for many Pacific Island communities. Coastal fish provides 50 to 90% of the animal-sourced protein consumed in rural areas, and 40 to 80% in many urban centers (SPC 2008). In general, most Pacific island countries exceed the world average per capita fishery product consumption rated of 16.5kg. Nearly 50 per cent of coastal households derive their first or second income from fisheries. Despite their significance, subsistence and small scale fisheries are largely unmanaged and increasingly overfished, particularly for those close to urban areas where the demand for fish supply is high. Increasing populations are driving increasing demand for food supply from coastal fisheries, but supply is limited and there is little opportunity for coastal fisheries production to expand. It is likely that the coastal fisheries production will decline and the situation will become worse in the future, thereby challenging the food system of the Pacific region and affecting the main pillars of food security - availability, access, and consumption of nutritious food. An ever widening gap between the available amount of fish, a healthy protein, and the amount of sustainable harvests from coastal fisheries is creating a looming crisis, one that will have significant negative impacts on the health of the Pacific people, particularly in regards to combating the high and rising prevalence of non-communicable diseases, such as heart disease and diabetes, and the incidence of obesity. The severity of the problems illustrated by the fact that nine of the 10 countries with the highest rates of overweight and obesity, and seven of the 10 countries with the highest rates of diabetes, are Pacific Island nations.</p> <p>As an urgent attempt to address the looming coastal fisheries management crisis, the Pacific Community, convened a dedicated regional CEAFFM workshop in 2015 attracting broad-based participation. The workshop was clear that a new and innovative approach to dealing with declines in coastal fisheries resources and</p>

	<p>related ecosystems in needed. Simply put, more of the same will not do and a “new song” for coastal fisheries is needed. The regional initiative “<i>A New Song for coastal fisheries – Pathways to change</i>” was developed and is designed to build on lessons learnt and past successes in order to meet the need for improved management of coastal fisheries.</p>
<p>Quentin Hanich, Fisheries Governance Program Leader, Australian National Centre for Ocean Resources and Security</p> <p><i>Netting Billions: A Global Valuation of Tuna</i></p>	<p>Netting Billions: A Global Valuation of Tuna</p> <p>Commercial tuna fisheries are an important source of wealth and employment. These shared, international fish populations are also a significant contributor to global trade. Despite recognition that the seven most commercially important tunas are portrayed as some of the most economically valuable fishes on the planet, there has been little research to determine just how great a contribution global tuna fisheries make to the world’s economy. It is well-documented that shelf-stable tuna products provide millions of kilograms of relatively inexpensive protein to markets around the world, while high-quality tuna steaks and sashimi provide a small amount of expensive protein to affluent markets in Asia, Europe, and North America. In this presentation, The Pew Charitable Trusts unveils, for the first time, a detailed economic estimate and analysis of the value of tuna fisheries globally, regionally, by species, and by fishing gear. Understanding the true wealth that these fish provide helps to inform a wider discussion about the need for responsible, sustainable management to secure this wealth for the future.</p>
<p>Maria Carina Tinio, Associate Economics and Statistics Analyst, ADB</p> <p><i>Rising Fisheries License Revenues in the Pacific</i></p>	<p>Wind in the Sails: Managing Rising Fisheries License Revenues in the Pacific</p> <p>The research examines trends in the fiscal positions, trust fund deposits, and government expenditures in selected countries that are Parties to the Nauru Agreement in periods prior to, versus immediately after, the boom in fishing license revenues brought about by the full implementation of the vessel day scheme. Results show that higher fishing license revenues have improved fiscal positions in each country reviewed—enabling them to move from incurring deficits to realizing surpluses or to increase prevailing surpluses. Recurrent spending broadly tracked increases in fishing license revenues, including notable increases in human capital-related expenditures. All countries reviewed made deposits into their trust and sovereign wealth funds, thereby augmenting long-term fiscal buffers. The research discusses ways in which these countries can maximize the benefits of these inflows by striking a balance between managing fiscal buffers and sensible, strategic spending.</p>
<p>Parallel Session 5b: Labor Market Development and Remittances</p>	
<p>Andrew Parker, Principal Social Sector Economist, ADB</p> <p><i>Alternative Perspectives on Labor Market Development in the Pacific</i></p>	<p>Alternative Perspectives on Labor Market Development in the Pacific</p> <p>Decent jobs are among the scarcest resources in the Pacific. Skills mismatches; inappropriate labor market regulation; lack of labor market information; large informal sectors with low levels of labor productivity; crowding out of private sector employment by the public sector; limited participation of women and youth in labor markets; and fragile situations that compound labor market challenges—all these factors and many others can undermine labor market performance. How can these challenges be overcome? What types of policies and program designs can help labor markets function more effectively? Ten ideas for improving labor market outcomes will be presented.</p>
<p>Raymond Prasad, Economic Adviser, PIFS</p>	<p>Remittances: De-risking and Its Impact on Pacific Island Forum Countries</p> <p>Remittances remains one of the key lifelines for many Pacific countries. This presentation will look at the macroeconomic impact of remittances in selected</p>

<p><i>Remittances: De-risking and Its Impact on Pacific Island Forum Countries</i></p>	<p>Forum Island Countries and cost of remitting funds in major remittance corridors. Furthermore, the presentation will also elaborate on the issues of de-risking by Commercial Banks in developed countries and its implications for FICs, and possible policy options and responses.</p>
<p>T.K. Jayaraman, Professor, FNU</p> <p><i>The Impact of Aid and Remittances: Testing the Dutch Disease Hypothesis on Fiji, Samoa, Solomon Islands, Tonga and Vanuatu</i></p>	<p>Impact of Aid and Remittances on Export Competitiveness of Pacific Island Countries: Testing the Validity of the Dutch Disease Hypothesis and Suggested Remedies: A Panel Study</p> <p>Foreign aid and remittance inflows have been playing major roles in the economic growth and development of Pacific island countries (PICs). It is held that aid and remittance inflows tend to get spent away on consumption. Aid inflows received by governments and non-government agencies, when not tied to projects or programs for raising the growth potential and when not monitored, have been observed to be devoted to salaries and other housekeeping expenditures; and remittances received by families spent on usual household consumption and education fees and medicines; and savings, in the absence of mobilizing institutions, are frittered away on needless consumption. These have given rise to concerns whether such transfers are hurting the export competitiveness, a phenomenon known as Dutch disease responsible for continuing stagnation in export earnings as reflected in their ratios to respective GDPs of the concerned PICs, and generally decreasing trend in export growth rates. Decline in export competitiveness is associated with appreciation of currencies, which is identified as one of the side effects of capital inflows. The objective of this paper is to examine the validity of the Dutch disease hypothesis in PICs through a panel analysis of five PICs, namely Fiji, Samoa, the Solomon Islands, Tonga and Vanuatu. The paper, besides confirming validity of the Dutch disease hypothesis, suggests remedial measures for policy makers.</p>
<p>Sunil Kumar, Senior Lecturer, USP</p> <p><i>Labor Market Constraints and Challenges in Fiji</i></p>	<p>Labor Market Constraints and Challenges in Fiji</p>
<p>Parallel Session 5c: Sovereign Wealth and Public Trust Funds</p>	
<p>Christopher Edmonds, Senior Economist, ADB</p> <p><i>Trust Funds in the Pacific: Update on Operations and Performance</i></p>	<p>Trust Funds in the Pacific: Update on Operations and Performance</p> <p>Sovereign wealth funds and publically owned trust funds are funds that hold financial wealth to invest in real and financial assets (e.g., stocks, bonds, real estate, precious metals, or private equity funds, hedge funds). They provide a mechanism for pooling funds and distributing short term revenue inflows over time. Created from a variety of sources including windfall revenues, development partner donations, and legal settlements, these funds have provided to be useful means of managing financial resources over time. They can provide buffers against economic volatility and be useful vehicles for improving the management and transparency of windfall revenues. In the Pacific region, a number of governments have established such funds. The presentation will summarize findings and analysis from a soon to be a forthcoming ADB book Trust Funds in the Pacific: Update on Operation and Performance that describes the funds managed by Pacific governments. The sources of financial resources for funds, funds' stated uses, and their management structures and principles will be reviewed and assessed against the Santiago Principles. Reviewing the structure and performance of trust funds highlights the many benefits of these funds as well as their shortcomings and risks. The report concludes that adherence to governing principles and good practices suitable to the</p>

	Pacific context can be followed to increase chances for successful and sustainable use of funds.
<p>Gerard Cruz, Chairman of the Board of Directors, Asia Pacific Association for Fiduciary Studies</p> <p><i>The Status and Challenges of Trust Fund Management Facing the North Pacific</i></p>	<p>The Status and Challenges of Trust Fund Management Facing the North Pacific</p> <p>Asia Pacific Association for Fiduciary Studies (APAFS) members are composed of a variety of Sovereign Wealth Funds, and other public benefit funds, from the Northern Pacific island countries of Micronesia. In excess of 3 billion USD are currently invested by APAFS member organizations in the global capital markets. These funds will play a critical role in the future well-being of the island populations, yet for generations island leaders have depended almost solely on the advice and direction of hired “off-island” investment advisors and consultants. The same is likely true in the South Pacific. As funding levels and investment performance have suffered over the last 10 years, and future returns rates are expected to remain lower than past years’ returns, investment fiduciaries are being severely challenged to find ways to improve the probability of success for the funds they are responsible for.</p> <p>More and more, leaders are realizing that the future success of these funds will greatly depend on capacity building among indigenous individuals to serve as members on fund oversight boards. These individuals must become well educated, active participants in the process, cognizant of their responsibilities as fiduciaries, and equipped with the tools and training required to face the future challenges. However, while fund sponsors may clearly understand this need, the successful application of such an ambitious educational effort requires the buy-in, and the ongoing commitment of the individuals serving at the board level. Therefore, educational efforts must appreciate, and incorporate, the uniqueness of the respective islands' cultures. This is often not the case in trainings provided by organizations external to our region, which may have little to no understanding of the nuances of how local decision making is reached, especially when board group dynamics are involved. This brief presentation will focus on the current situation of Sovereign Wealth Funds in our region, and APAFS attempt to provide formalized fiduciary investment education programs designed to help bridge the knowledge gap between Wall Street and Micronesia.</p>
<p>Ross Fowler, Chief Executive Officer, fi360 Pacific</p> <p><i>Raising Investment Governance in the Pacific to Global Standards</i></p>	<p>Raising Investment Governance in the Pacific to Global Standards</p> <p>Despite many jurisdictions lacking well developed investment fiduciary legislation, expectations are increasing for government entities, superannuation funds and charitable organizations to meet transparency standards and provide evidence of effective investment governance frameworks. Throughout the Pacific, including New Zealand and Australia, prevailing practices are being challenged and updated legislation is developing, but it is up to entities themselves to move beyond broad principles and address the detail of sound investment practices.</p> <p>Drivers for installing recognized fiduciary practices include:</p> <ul style="list-style-type: none"> • Larger amounts of money in various trust funds and Sovereign Wealth Funds making them more visible and accountable; • Greater reliance on such funds and associated financial institutions, yet many are of insufficient scale, or are unlikely to grow at an adequate pace to support their purpose; • Greater reliance on international sources of wealth to fund or directly contribute to development, not just projects but the capacity and maturity of investment process and financial market standards;

	<ul style="list-style-type: none"> Resulting demands on developing nations to be transparent and accountable. Mature economies expect contributed funds and existing resources to be managed to standards they themselves are held to. <p>Better outcomes are high on political agendas, not fiduciary law. Obtaining these will be greatly assisted by fiduciary standards being understood and applied. fi360 Pacific is active in the Pacific and Micronesia regions in developing investment fiduciary knowledge and practical approaches, partnering with support entities such as Asia Pacific Association for Fiduciary Standards and will share their experience in the region.</p>
<p>Roland Rajah, Nauru Country Economist, ADB</p> <p><i>The New Nauru Trust Fund</i></p>	<p><i>The New Nauru Trust Fund</i></p> <p>The Nauru government has recently established a new national trust fund – the Intergenerational Trust Fund for the People of the Republic of Nauru (referred to simply as the Nauru Trust Fund or NTF). Nauru has experienced an economic resurgence in recent years with the arrival of large windfall income derived from its regional asylum seeker and refugee program as well as record revenue from the issuance of fishing licenses to vessels operating in its exclusive economic zone. Following a tumultuous economic history, these developments offer the country a second chance to secure a more sustainable economic future. The NTF is an important first step in this direction. It has benefitted from the lessons that emerged from Nauru’s own troubled history with the use of trust funds as well as lessons and good practices from other trust funds operating in the region as well as globally. Going forward, the key will be to make the most of the establishment of this credible savings vehicle by undertaking complementary reforms to further strengthen economic and fiscal sustainability.</p>
<p>Parallel Session 6a: Information and Communications Technology (ICT)</p>	
<p>Rajesh Chandra, Vice Chancellor and President, USP</p> <p><i>Role of ICT in Development</i></p>	<p>Role of ICT in Development</p>
<p>Emma Veve, Director, ADB</p> <p><i>Enhancing ICT in the Pacific: Becoming #connected</i></p>	<p>Enhancing ICT in the Pacific: Becoming #connected</p> <p>Global integration demands connectivity and advances in ICT offer an opportunity for the Pacific islands to overcome the tyranny of distance. ADB is supporting a comprehensive program of ICT investments in the Pacific including the infrastructure backbone, strengthening of the institutional environment overseeing ICT, and facilitating the use of ICT applications for public service delivery.</p>
<p>Rhinehart Silas, Chairman, Palau National Telecommunications Commission</p> <p><i>Palau Telecomm Landscape and the Current Fiber Optic Project</i></p>	<p>Palau Telecomm Landscape and the Current Fiber Optic Project</p> <p>The presentation is intended to provide insights into our current telecommunications legal and regulatory environment, particularly with a view on our modernization efforts, and give an update on the current ADB-funded project to deliver a fiber optic international connection to Palau. Palau is eager to develop its telecommunications infrastructure and services and fully understands that in order for the sector to realize its potential, we must put in place a proper and working telecommunications framework.</p>
<p>Inacio Moreira, Vice Minister, Ministry of Public Works, Transport, and Communication, Timor-</p>	<p>Beyond ICT for Development: Timor-Leste ‘s Unique Experience in Reforming the Telecommunication Sector</p>

<p>Leste; Abel Pires da Silva, Ministry of Public works, Transport and Communication</p> <p><i>Timor-Leste 's Unique Experience in Reforming the Telecommunication Sector</i></p>	<p>The successful use of information and communication technologies (ICT) to support development process in developing countries (DCs) has been well reported in the literature. As part of the effort to deliver ICT benefits in Timor-Leste, the Government is committed to implement reforms in the sector.</p> <p>The country's telecommunication sector was first developed in 2003 using a Build-Operate-Transfer (BOT) mechanism. However, the concession contract awarded to the then only telecommunication operator, Timor Telecom (TT) resulted in a very inefficient service delivery to the public. As such, the Government took a different path to reform the sector by introducing a liberation of telecommunication market in 2012. As a result, the country now enjoys telecommunications services provided by three operators. With competition, the telecommunication market now is more vibrant than ever; access to both Internet and voice call has been greatly improved and the country is now embarking in a new exciting journey to use ICT in their daily life for personal and professional use. Government and State institutions have also implement ICT solutions to facilitate their daily operations and also to serve the citizens of Timor-Leste.</p> <p>However, as a nation-state, Timor-Leste is facing a greater challenge: the country has too much dependency on the oil and gas revenues. Almost 95 per cent of its annual budget is coming from these revenues, however, these resources are depleting rapidly in terms of deposits and prices. This reality forces the Government one more time, to reform the telecommunication sector. This time, not only to improve the market and services, but more importantly to raise direct and indirect State revenues.</p> <p>That is why in 2016, the Government introduces further reforms in terms of providing information international highway to the country through sub-marine cable connections, reforming its national communication authority to become a more revenue based authority as well as preparing the necessary legal frameworks in order to regulate the sector.</p> <p>Timor-Leste is confident that it will be able to take advantage of the ICT to achieve its national development goals: to serve the people and at the same time to increase non-oil revenues.</p>
<p>Parallel Session 6b: Developments and Prospects in Fiji</p>	
<p>Rukmani Gounder, Professor, Massey University; Zhongwei Xing, Massey University</p> <p><i>Remittances and Household Consumption Behavior: Findings from Fiji</i></p>	<p>Remittances and Household Consumption Behaviour: Findings in the Case of Fiji</p> <p>Remittance is an important source of income to finance the recipient households' livelihoods. The changes in expenditure patterns and consumption lead to wellbeing and long term socio-economic development of the households. Remittance to Fiji is the highest in absolute amount amongst the Pacific Island nations and has become a steady source of foreign exchange earnings. It is the second largest foreign exchange earner after tourism surpassing foreign aid, foreign direct investment and earnings from major commodity exports. From the global welfare development framework the remittance literature notes its linkages with expenditure patterns and poverty reduction. By increasing income of the recipient households', remittances contribute to individuals' welfare from a range of consumption (durable and non-durable) goods, small-medium scale entrepreneurial development, food, housing, education, health, savings and poverty reduction. These expenditures allow the households to improve their standard of living, earn higher income as well play a larger role in the community development.</p>

	<p>This study examines the remittances and household consumption behavior nexus using Fiji's household income and expenditure survey 2008/2009 dataset. Classifying the household expenditure categories by food, housing, durable-non-durable goods, education and health, the analysis is further disaggregated by ethnicity and urban-rural areas. With remittances larger flow in the case of Fiji and its potential role in social and economic development, the goal is to identify the specific categories that household utilizes that source of income and demonstrate the effectiveness of remittances. This will provide an understanding of the dimensions of remittances effects for households' development. The findings indicate that remittances are targeted toward consumption of food, education and housing. The expenditure patterns differ between urban and rural areas and by ethnicity. The results provide some implications for social financing for wellbeing.</p>
<p>Rup Singh, Senior Lecturer, USP</p> <p><i>Fiji's Macro-Economy in the Short to Medium Term</i></p>	<p>Fiji's Macro-Economy in the Short to Medium Term</p> <p>This paper discusses Fiji's growth trajectory in the period 2006-2015 and predicts its economic prospects for the short-medium term. It also considers important growth sectors and identifies how natural disasters seems to have changed the growth path of the country. The paper identifies how best Fiji can re-track on its potential growth path and highlights pragmatic safeguards that can minimize such negative shocks in the future.</p>
<p>Asaeli T. Tuibeqa, Development Manager, FNU</p> <p><i>Exploring the Disparity in SME Market Offerings in Fiji</i></p>	<p>Disparity in SME Market Offerings: A Phenomenological View</p> <p>Small business support services and assistance programs (SSAP) are not working in Pacific island countries where resources and the system of support and care are not as advanced as those in large developed countries. This paper is premised on the belief that a mismatch exists between the demand and supply factors in the market rendering SSAP to be lacking the appropriate fit and responsiveness to SME needs. From a demand side, it is believed that SMEs have little interest to buy SSAP offerings thus resulting in a disconnection between what is offered in the market and the needs of small businesses. From a supply perspective, SSAP offerings are pushed to the market through the influence of policy-makers and service providers without the input of SMEs who are the key buyers and users of SSAP offerings.</p> <p>The aim of this paper is to investigate factors attributing to this problem of mismatch and how the mismatch could be reconciled based on the phenomenological experience of small business operators, service providers and local business experts regarding their encounter with SSAPs in a Fijian setting. <i>Talanoa</i> is used to capture the research participant's experience since it is a more culturally accepted research method.</p> <p>In the context of Fiji, the findings lend support to the proposition that small business SSAP are not working. Factors attributed to SSAP failure include: cultural misfit, limited sources of capital, inappropriate products and a lack of preparation before businesses start-up. While the Fijian phenomenological experiences vary, there is evidence pointing to a misrepresentation of small business needs at SSAP design and development stages. It is believed that large service providers are short-circuiting the needs assessment process through importation of 'template' solutions that had little connections to Fiji's socio-cultural environment. A better understanding of the socio-cultural influence has a lot to offer in understanding the needs and expectation of small businesses now pleading for context specific SSAP offerings.</p>

Parallel Session 6c: Health and Non-Communicable Diseases (NCDs)	
<p>Paula Vivili, Director of Public Health Division, SPC</p> <p><i>Outcomes of the Pacific NCD Summit</i></p>	<p>Outcomes of the Pacific NCD Summit</p> <p>Non-Communicable Diseases (NCDs) are a significant threat to Pacific Island Countries and Territories being able to achieve their development goals. NCDs – primarily heart disease, cancers, lung disease and diabetes – have reached epidemic proportions in the Pacific and are creating a ‘human, social and economic crisis’. PICTs have among the highest rates of NCDs and associated risk factors in the world. NCDs pose a significant social and economic burden on many PICTs, related to prolonged disability, diminished household financial resources, reduced productivity, lower life expectancy, and increased demand on health systems. An urgent and comprehensive response to NCDs is required, and strong political leadership is essential.</p> <p>The Pacific NCD Summit was an important opportunity for leaders in the Pacific to join together to address NCDs. The Summit theme was “Translating Global and Regional Commitments into Local Action</p> <p>The Outcomes of the Summit achieved the objectives which were to present the case for more urgent and stronger action at high political level to address the Pacific NCD crisis; review how the PICTs are implementing their NCD activities aligned with global and regional commitments; accelerate progress on implementation of the Pacific NCD Roadmap; and to create and develop opportunities for South-South collaboration in implementing good practice to address NCDs.</p>
<p>Masoud Mohammadnezhad, Associate Professor, FNU</p> <p><i>A Systematic Review of Economic Analyses of Preventive Interventions for NCDs</i></p>	<p>A Systematic Review of Economic Analyses of NCDs Related Preventive Interventions: A Guide for Pacific Island Countries</p> <p>Non-communicable diseases (NCDs) such as cardiovascular disease, cancer, and diabetes are the main causes of mortality of more than 75 percent in Western Pacific countries. In Pacific countries revealed that the cost of treating NCDs estimated between 39 percent and 58 percent of health expenditure. Preventive strategies for NCDs will be more succeed through considering the disease determinants and developing effective interventions. As there is no any study to measure the cost-effectiveness of preventive strategies for NCDs in Pacific countries, this study is aimed to develop a guideline and also address the effective interventions to prevent NCDs in Pacific countries.</p> <p>A systematic review of randomized controlled trials (RCTs) and Quasi-RCTs published between 2000 and 2016, which assessed the cost-effectiveness of preventive strategies and programs for NCDs (cardiovascular disease, cancer, and diabetes) and their three major risk factors including tobacco use, physical inactivity, and unhealthy diet. Papers were identified from the following electronic databases: Medline, CINAHL, Scopus, Web of Knowledge, PsychInfo, and Scopus. Data extraction was performed after articles were reviewed and a descriptive method has been conducted to analysis the data.</p> <p>Forty three articles were included for more analysis. The results showed that most of interventional studies to measures the cost effectiveness of prevent strategies on NCDs were conducted in developed countries. Most of studies were conducted among adults using different ranges of interventions in both individual and population aspects. Overall, community based interventions such as non-personal interventions for tobacco use, physical inactivity, and unhealthy diet tended to have lower cost effectiveness than many clinical interventions.</p>

	<p>The results of this study highlighted that as part of the global action plan to reduce the burden of NCDs, it is necessary to develop strategies for Pacific Island countries which are cost-effective. These strategies need to be tailored based on people culture and economic status and encourage them to prevent the main risks of NCDs.</p>
<p>Ronesh Prasad, Economist, Fiji National University; Wayne Irava, Associate Professor, School of Public Health and Coordinator - Centre for Health Information, Policy & Systems Research of College of Medicine, Nursing & Health Sciences; Idrish Khan, National Health Accounts Coordinator-Planning, Policy & Development Unit, Ministry of Health and Medical Services, Fiji</p> <p><i>A Snapshot of Disease Based Costing from Fiji Health Accounts</i></p>	<p>A Snapshot of Disease Based Costing from Fiji Health Accounts</p> <p>Pacific Island Countries face tremendous challenges while stirred to attain sustainable high rate of economic growth. PICs face serious constraints to growth and development such as openness, vulnerable to natural disasters, remoteness, small population size and limited diversification. In addition, health is a central development issue and health financing is a challenge for Pacific Island countries. Health financing arrangements has critical implication on national and household budgets as well on broader macroeconomic conditions.</p> <p>Every year, PICs spend a significant proportion of their government health budget on curative care and preventative care for Non-Communicable diseases. The existence of high prevalence of Non Communicable Disease’s within most PICs public health systems indicates the shortfall of medical expertise and specialized medical equipment given the limited resources. The demand for healthcare services and cost of healthcare service provision are rising rapidly.</p> <p>System of Health Accounts (SHA) 2011 is an internationally recognized methodology which tracks all health spending in a given country over a defined period of time regardless of the entity or institution that financed and managed that spending. It generates consistent and comprehensive data on health spending in a country, which in turn can contribute to evidence-based policy-making. SHA 2011 is used as a monitoring and evaluation tool to track changes in policy priorities and if the introduction of reforms and new programs resulted in changes in health resources allocation and expenditure.</p> <p>Therefore, this paper intends to present expenditure by disease (ICD10) for Fiji over four year period from 2011-2014 using National Health Accounts Framework. It will also portray expenditure by current accounts, source, schemes, functions and providers over the years. Finally, this study will also provide trend data on health expenditure incurred by selected PICs, the expenditure by beneficiaries and a comparative analysis on some useful indicators across selected PICs.</p>
<p>Ravi Ram, Independent Health Evaluation Consultant and former Principal Advisor SPC</p> <p>A policy framework to address NCDs and food security in the Pacific</p>	<p>A Policy Framework to Address Non-Communicable Diseases and Food Security in the Pacific: Health in All Policies</p> <p>Background: Pacific Island countries and territories (PICTs) face high prevalence of non-communicable diseases (NCDs), with obesity prevalence up to 69-80% of male/female adults and 40% with diabetes (SPC, 2010; WHO, 2013), costing the region US\$8 billion annually (World Bank, 2012). Food insecurity, linked to low PICT resilience to climate change (ADB, 2014; FAO, 2010), constrains policy options.</p> <p>With small populations dispersed over wide areas with difficult, expensive communications and transport (ADB, 2013), PICT governments work with very limited budgets and a skills shortage, resulting in staff overcommitted with many responsibilities. Further, policy inefficiencies strongly affect small Pacific economies (World Bank, 2012). Consequently, national responses are difficult despite the magnitude of the problem.</p>

	<p>Policy analysis: WHO developed a multisectoral approach to address NCDs, called 'Health in All Policies' (HiAP). HiAP is a policy framework incorporating health analysis in the formulation of policies in other sectors. Methods include health impact assessments and other tools. Case studies of NCD control through HiAP from Thailand, Australia and Chile, involving agriculture, labour, environment, natural resources and other sectors, are presented.</p> <p>For the Pacific, HiAP is especially relevant because it structures PICT's limited public sector around the NCD crisis. Rising NCDs and food insecurity in the Pacific are shaped by agriculture, coastal fishing, transport costs and trade dependence on food imports. Thus, a multi-sectoral policy response is necessary and appropriate.</p> <p>Next steps: PICT responses to the NCD and food security crisis can benefit from HiAP. Policy makers require training to undertake HiAP with a 'whole-government' response to NCDs and food security. Pacific research on HiAP implementation can adapt the model to this region. Civil society involvement in the process ensures cultural fit and gender equitability in policy formulation. Development partners can consider HiAP, so that aid supports national policy on NCDs in the Pacific.</p>
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