

Small islands, big challenges: rethinking the Pacific aid architecture (part 2)

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This is the second post in a two-part series. The first is available [here](#).

For many of the smaller island countries in the Pacific, the use of the phrase 'maximising aid effectiveness' is almost synonymous with the concept of the 'shared sovereignty' principles that underpin development in the region.

Sovereignty of individual countries will remain the starting point for discussions on development aid between respective countries and development partners long into the future. This is a given. Each island nation in the Pacific, regardless of its size, natural resource endowment and human capital, has the same right as any other country in the world to determine its development agenda and to fulfil its aspirations as a member of the global community of nations.

Having said this, and given the inherent geophysical characteristics of the countries in the region, one needs to ask the question: are there other ways in which development aid could be provided to island countries that would assist each country to achieve its development goals and strengthen regional cooperation and collaboration without undermining individual country sovereignty?

The answer is simply yes. The challenge is a conceptual one, but it often gets transformed into a discussion about sovereignty that hinders initiative.

A genuine discussion needs to be had between development partners and Pacific island countries on the shortcomings of the current architecture of development aid in the Pacific and to agree on modalities that would enhance the development impact of aid to individual island countries as well as to the region as a whole. The discussion needs to start by challenging the status quo and asking: is there a better way?

This paradigm shift requires island countries to delineate between those development outcomes that are best addressed through bilateral development aid retaining current principles of sovereignty, and those that are best addressed through genuine cooperation and collaboration with another island country, or countries, through a multi-country or regional arrangement that embodies the concept of shared sovereignty. This will assist the country to determine the mix and magnitude of its development aid and how it is to be delivered.

For development partners, they need to ask themselves whether they would be prepared to align their bilateral development aid in a more complementary way. They also need to consider if they would be prepared to support a two-tier development aid architecture that clearly delineates between direct bilateral aid and aid provided under the 'shared sovereignty' concept through a multi-country or regional arrangement, linked directly to and measured against country-level national level development indicators.

These approaches are not new to the region. What is new is the acknowledgement at the national level that 'development aid' through a multi-country or regional approach under the principle of 'shared sovereignty' does not compete with bilateral arrangements (as it is currently viewed).

Where to from here?

The Pacific islands region has benefited tremendously from development aid. Looking to the future, many island countries will continue to depend on this in the long term. For many of the smaller countries, the discussion needs to shift from development aid to long term development partnerships.

The aid architecture to date had been built on the premise of individual, country driven development priorities on the one hand and reciprocal, development partner bilateral support on the other. Multi-country or regional development approaches are often seen as direct competition to nationally driven approaches, undermining national sovereignty.

In the Pacific context there needs to be a paradigm shift that embraces the concept of shared sovereignty, in which development aid delivered through agreed multi-country or regional approaches is embraced as an integral part of their aid architecture.

The Pacific islands region boasts many of the best examples of where regional cooperation actually works. Underpinning these successes is the law of diminishing country size – where the importance of multi-country or regional approaches increase as country size diminishes. For many small island countries in the Pacific, multi-country or regional approaches are not an option, they are an imperative.

Development partners are an important part of this shift. As development aid financing gets tighter, better aid coordination is crucial and partners also need to look beyond aid.

Getting the Pacific aid architecture right as we head into the future is crucial. This will require challenging the status quo; learning from experiences of other regions; and some out of the box thinking in relation to aid volumes, who it is given to and for what purposes, how it is given and how impacts are to be measured.

Ultimately it all comes back to political leadership in the respective countries and territories. Vested in the hands of governments is the mandate and responsibility for making decisions to influence how resources are best used and managed in order to obtain the maximum benefits for current and future generations.

Perhaps the most important question to reflect on is: how do we wish to see each Pacific island country 50 years from now? If we can picture what we would like these countries to look like in the future, when their populations will have nearly doubled as natural resources reduce, then we can understand what needs to be done today to safeguard the future of the PICTs.

What legacy will we leave? Or, to put it another way, how will future generations view this generation of Pacific Island leaders and decision-makers? The answer to this question must inform the choices and decisions that all of us make now.

Dr Jimmie Rodgers is the Director General of the Secretariat of the Pacific Community. This blog post is based on a keynote speech he delivered at the 'Future of International Development in Asia and the Pacific' conference in Melbourne in May this year (a video of his presentation is available [here](#)). The first part of this two-part series is available [here](#).