

« FICHE CONTRADICTOIRE »

Evaluation of the European Union’s regional cooperation with Pacific (Regional level evaluation)

(*For details on the recommendations please refer to the main report)

Recommendations	Response of Commission services – DEC 2014	Follow-up (one year later)- DEC 2015
Strategy		
<p>1. <i>Focal Sectors Definition. The regional programme should define more specific areas of intervention whilst emphasizing linkages with the National Indicative Programmes and trickle-down to national communities and policy frameworks. It is recommended to:</i></p> <ul style="list-style-type: none"> • Gather internal and external background studies (from various actors) to select focal sectors. • Conduct a background analysis to strategically select priorities within focal sectors. • Systematically align regional programs with country level strategies and needs • Involve Regional organisations in this regional comprehensive approach by notably supporting their efforts to assess regional needs. 	<p>Delegations and HQ concur with the recommendations. The systematic alignment of regional programmes with country level strategies has been addressed during the programming phase through extensive consultations with the Heads of State of the Pacific. The alignment will be continually addressed throughout the programme identification and implementation phases through a Steering Committee co-chaired by the PIFS and EU and attended by all NAO's.</p>	<ul style="list-style-type: none"> - Regional strategies considered during identification (e.g. fisheries, Aid for Trade) - Regional Steering Committee met in Feb. 2014 and June 2015. Countries in the driving seat and regional organisations involved. - Five thematic working groups (WG) were established following the June 2015 RSC meeting. WG have been tasked to prepare large strategic programmes in each priority area aligned with Pacific Framework for regionalism (e.g. fisheries). Active participation of CROPS (Council of Regional Organisations in the Pacific) and national counterparts is to ensure strategic focus at regional level as well as relevance and complementarity with national agendas. - WG deliberations and outputs are guided by most recent policy and analytical documents in each priority area, overseen and supported by the Pacific Islands Forum Secretariat (PIFS), the Duly Mandated Regional Organisation (DMRO). The EU Regional Delegation for the Pacific in Fiji is participating/contributing to the WG. .

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<p>2. <u>Choice RAO</u> <i>The EU should consider the options of appointing several RAOs It is recommended to :</i></p> <ul style="list-style-type: none"> • Consider introducing a degree of differentiation of the RAO function as already establish in other ACP regions • Include the three sub-regional groupings into the consultative framework on the RSP. 	<p>The new governance arrangement for the 11th EDF Regional programme, with a Duly Mandated Regional Organisation allows sub delegation of RAO function. If needs arise, this will be done on a case by case basis depending on the capacity of NAOs or sub-regional organisations.</p>	<ul style="list-style-type: none"> - In line with the new regional governance arrangement PIFS will play mainly the role of DMRO. - Authority for implementing regional programmes may be entrusted to one or more Regional Authorising Officers (RAO) based on their mandate, capacity and track record. The new PAGODA (delegation or co-delegation agreements) also facilitates this.
<p>Implementation approches</p>		
<p>3. <u>improve the subsidiarity between regional and national programmes</u> Regional programmes should be restricted to activities which can demonstrate clear economies of scale and cross-border activities.</p>	<p>Delegations and HQ concur with the recommendations and the programming phase of the RIP has strived to take this into account.</p>	<p>- 11th RIP is better focussed as it includes a reduced number of expected results. Subsidiarity will be pursued during the identification (ongoing) and formulation phases. WGs have been tasked to ensure that regional programmes contribute to national priorities from a regional perspective. For example, the regional fisheries programme will include capacity building support to member states for combating Illegal, Unreported and Unregulated (IUU) Fisheries, in line with the Region's Roadmap for Sustainable Fisheries Development.</p>
<p>4. and 5. <u>Improve synergies between the</u></p>	<p>Delegations and HQ concur with the</p>	<p>- Delegations have prepared detailed</p>

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<p><u><i>instruments and modalities by increasing awareness among the regional organisations implementing the RIP and encourage a performance based approaches</i></u></p> <p>Involved the regional organisations when implementing thematic instruments and keep them informed of the ongoing activities of the intra ACP Programmes</p> <p>Improve the contracting EU's Mechanisms to incentivise regional organisations to maximise the national benefits of their interventions, suggestions</p> <ul style="list-style-type: none"> • to use a basket funds for demand-driven projects designed by regional and national administrations; use performance based contract based on the number of country level interventions and results achieved (tranche indicators) • project design should include a structured process for monitoring absorption capacity constraints and their amelioration in each country and territory • Encourage a deployment of resources within regional organisations for the design and implementation of NIPs 	<p>recommendations for synergies between the instruments and modalities by increasing awareness among the regional organisations implementing the RIP and encourage performance based approaches. However the use of a basket fund and deployment of resources within regional organisations for the design and implementation of NIPs are not necessarily considered opportune.</p>	<p>Implementation Plans (IP) for the RIP (and NIPs) including also financing from other instruments and modalities, thus helping coordination/alignment and work-load planning. For example, in Samoa EU sector budget support for WASH from the 11th NIP (EUR 17 million) has been topped up from GCCA (EUR 3 million) in order to enhance resilience of the Samoan WASH sector to climate change.</p> <ul style="list-style-type: none"> - The WGs in charge of developing RIP programmes are tasked to coordinate their proposals with other ongoing and planned programmes and modalities in order to ensure complementarity and promote donor coordination. - Measurable result indicators have been included in the RIP and will be used to ensure a results-based approach. - Resources have been foreseen in the RIP to support RAO's/ CROPS in the process of designing and implementing the RIP programme. - The new PAGODA delegation/co-delegation provisions make it easier to assign clear responsibilities in function of implementing partners' capacity. - EU is using the 7-pillar assessments of regional organisations to provide capacity building in weak/deficient assessment areas – this has been highly welcomed by CROPS.

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<p>6 and 7. <u>Improve Visibility of EU support in particular in PNG and encourage regional organisations to be more proactive in that country</u></p> <ul style="list-style-type: none"> • Design a communication strategy to increase the long term effectiveness of EU support • Consider holding more regional seminars and meetings in PNG • Ensure that visits to the region by High-level EU personalities also include PNG • Encourage a greater EU presence in PNG of European institutions such as the EIB (location in Sydney is badly resented in PNG). 	<p>Delegations and HQ concur with the recommendations and will strive to integrate them in the identification and implementation phases. Improving communication helps raising EU visibility. A communication strategy to highlight better the impact and effectiveness of EU support is being considered.</p> <p>EUD PNG strongly encourages regional organizations to be more active in the country.</p> <p>Both the (previous) Commissioner (A. Piebalgs) and the DEVCO Director for Asia and Pacific visited PNG during 2013 and 2014.</p>	<ul style="list-style-type: none"> - The Fiji Delegation has pooled visibility/communication funds for the region to prepare a region-wide EU Pacific Visibility and Communications Programme which aims at highlighting the impact and results of EU's development Cooperation in the ACP and OCTs. The Programme is expected to be contracted by Q3, 2016. - PNG has been actively involved in the last meetings of the Regional Steering committee and the WG. - High level EU visitors in the region (Commissioner A. Cañete attended the Pacific Leaders Meeting in PNG in September; Commissioner N. Mimica undertook a bilateral visit to Fiji in June and signed the Fijian NIP; he also participated in the Regional Steering Committee where he signed the RIP as well as the PNG NIP (with the PNG Planning Minister Ch. Abel). Commissioner N. Mimica is scheduled to participate in the ACP Heads of State meeting end of May 2016 in PNG followed by a visit to Vanuatu, Kiribati, Tuvalu and Samoa early June. - EIB is considering to post a representative at the EU Delegation in PNG during 2016 - Pacific OCTs have submitted the Summary Sheet presenting their proposals for the Pacific OCT Regional programme, where special emphasis is placed on improving visibility of EU Support. - The Prime Ministers of Samoa and Timor Leste have been invited by Commission President Juncker to the European Development Days in

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		June.
<p>8. <u>Improve the flexibility of EU approach towards the POCT and PACP</u> <i>The EU should work to encourage cooperation between ACPs and OCTS while taking better account of their diversity</i></p> <ul style="list-style-type: none"> • Option to design a join regional programme covering both OCTs and ACPs within existing EU regulation, through a trust fund managed by a single regional organisation. • Consider demand-driven twinning projects between ACP and Pacific OCTs. • Encourage Pacific OCTs to take the lead in strengthening ties with ACP countries by allocating specific resource to regional integration under the OCT programing documents. 	<p>Delegations and HQ concur with the recommendations and will strive to integrate them in the identification and implementation phases.</p> <p>Preliminary exploration is already underway to develop synergy/linkages between the Pacific and OCT's regional programmes.</p>	<ul style="list-style-type: none"> - The Commission has taken specific measures in order to facilitate cooperation between the regional Pacific OCT and ACP countries. In particular, it has ensured the participation of OCTs in the PACP regional programming seminars and regional steering committees, with a view to supporting an inclusive, region-wide dialogue and cooperation in fields of common interest. - These exchanges have culminated in an acknowledgement of shared challenges during the regional programming conference that took place in French Polynesia in November 2014, and the commitment from Pacific OCTs and ACP countries to further their cooperation in the context of the 11th EDF. - More specifically, the Pacific OCT regional programme, which is under elaboration, is expected to focus on the sustainable use of natural resources, in particular climate change (including disaster risk reduction) and biodiversity, which is also a priority for the Pacific ACP. - Public sector exchange/cooperation projects between POCT and PACP will be explored during identification and

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		formulation especially in climate change/biodiversity as well as in trade and private sector development.

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Trade and regional integration		
<p>10. <u>reallocate resources from support for negotiations in favour of true trade facilitation activities</u></p> <ul style="list-style-type: none"> Adhere to the two priorities of the new Aid for trade strategy, private sector support and trade infrastructure with a focus on the effective benefits for the operators. Within countries, organise more private sector and trade support activities that contribute to implement for the Aid for trade strategy. 	<p>Delegations and HQ have addressed these recommendations during the programming phase of the RIP, focusing more on trade facilitation activities which is also in line with the revised Aid for Trade strategy for the Pacific.</p>	<ul style="list-style-type: none"> The 11th EDF RIP priority 1 now promotes regional economic integration through trade facilitation and private sector development which aligns fully with the Aid for Trade strategy. WGs on trade and private sector have been tasked (i) to collaborate closely in order to elaborate a comprehensive regional programme encompassing both trade and private sector; (ii) to identify opportunities to support trade facilitation and private sector development priorities/activities in member states from a regional perspective.
<p>11. 12. And 13. <u>EU should support and build up the lobbying capacity of professional organisations to improve business environment and to help enterprises particularly SME to access finance and use blending when adequate</u></p> <ul style="list-style-type: none"> Conduct an analysis of their institutional situation of the professional organisation to identify their main constraints and weakness 	<p>Delegations and HQ concur with the recommendations. Moreover, complementarities between the Regional programme and Intra ACP programme in favour of Private Sector Development (including through blending operations) will also be pursued to achieve this.</p>	<ul style="list-style-type: none"> All these elements (e.g. access to finance, role of PIPSO and professional organisations, role of EIB) are being considered by the WG developing the 11th RIP Priority 1 programme To maximize synergy/complementarity between RIP cooperation activities and RIP

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<ul style="list-style-type: none"> • Support should be provided for PIPSO and for national professional organisations. • Consider projects combining support to the financial intermediaries and to their potential clients along the lines of the SAFFP. • Analyses the reasons for the non-finalisation of the previous EIB initiative, to identify alternatives to achieve the same goals. • Study carefully the conditions, countries and sectors under which blending should be used in the Pacific (with a clear view on economic return and sustainability of the debt). 		<p>investment support, it was agreed during programming to incentivise and privilege investment projects with a regional approach in priority areas 1 (regional economic integration – trade and private sector) and 2 (sustainable management of natural resources – fisheries and waste) of the RIP.</p> <ul style="list-style-type: none"> - The Investment Facility for the Pacific (IFP) will seek to leverage investment loans from European and other International Financing Institutions in these areas. An amount of EUR 20 million will be included in the 2016 Regional AAP for this. - However, a considerable number of (very) small island states are de-facto prevented from subscribing to investment loans, due to debt-stress, macro-economic vulnerability, and smallness of their economies (incl. lack of interest from investors/financing institutions). During the programming phase, it was therefore agreed to include a provision in the RIP to support priority investments in these island states following a regional approach seeking complementary grant-financing from other donors (Investment Co-financing Programme for the Pacific (ICPP).
<p><u>14. Review with SPC and national institutions why economic statistics are so deficient and initiate</u></p>	<p>Delegations and HQ agree with the suggestions to pursue a more integrated approach to</p>	<ul style="list-style-type: none"> - PFM and statistics are included as a priority in the 11th RIP. Support from other donors

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<p><u>activities to remedy the situation</u></p> <ul style="list-style-type: none"> • SPC in charge of compiling trade statistics should highlight the main constraints and difficulties it faces in this work. • Provide the Pacific Financial Technical Assistance Centre with additional funding to improve trade statistic and not only on public finance statistics. 	<p>improving economic statistics and will take them into account. An implementation strategy and options will be developed. PFTAC will be associated/consulted but its mandate is an internal IMF decision.</p>	<p>in the field of statistics linked with division of labour considerations have prompted the WG however to focus on PFM including democratic accountability and oversight. PFTAC and other partners are associated to the development of the regional programme in this priority area.</p>
<p>Natural resources management</p>		
<p><u>15. The EU should build upon its past efforts by working closely with its partner in the regional fisheries organisations in order to ensure long term sustainable management of the fisheries resources</u></p> <ul style="list-style-type: none"> • Continue in regional programme with a concerted effort to engage with regional partners in their management of the fisheries resources • Promote the transparent use of the improved scientific data as a basis of policy decision making • To mitigate the current misperception of the EU action in the sector, communicate the message that the EU commercial interests in the region are not commensurate to its development objectives and its concerns for global resource management. 	<p>Delegations and HQ agree with the suggestions and have already taken them on board. Internal discussions in the context of pre-identification of the Comprehensive Fisheries programme are ongoing between the delegations, DG DEVCO and DG MARE. The EU will also strive to improve its communication, perception and reputation in the sector.</p>	<ul style="list-style-type: none"> - In September 2015, the Pacific Fisheries Ministers adopted a Pacific Roadmap for Sustainable Fisheries Development. The WG in this area has been tasked to develop a comprehensive programme aimed at supporting the region with implementing the Roadmap. - Elaboration of a comprehensive programme linked to the Pacific Roadmap will allow also inclusion in the EU programme of a policy dialogue component, interaction on donor coordination and promotion of EU Policy Coherence for Development in the fisheries sector, which will enhance coordination and cooperation between DEVCO, MARE, EEAS and TRADE.
<p><u>16. The EU should work more closely with national administrations to ensure that policy frameworks include climate change and disaster risk reduction and management</u></p> <ul style="list-style-type: none"> • Provide additional resources dedicated to 	<p>Delegations and HQ agree with the suggestions and will take them into account. Climate Change Adaptation will be mainstreamed in EU regional programmes. GCCA+ and 10th and 11th</p>	<ul style="list-style-type: none"> - Climate change adaptation and DRR are mainstreamed in the RIP and will be further considered in the identification and

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<p>ensuring that policy frameworks are embedded at national level</p> <ul style="list-style-type: none"> Supporting sustainable management of infrastructure and equipment with grants (or blending) through the Pacific Regional Infrastructure Facility, draw attention to allocate the adequate resources for the maintenance and follow-up of these investments 	<p>Intra ACP programmes will continue to address specifically the challenge.</p> <p>Coordination with PRIF will be sustained to support development of climate-proof infrastructure. Maintenance and operation of infrastructure, however, requires reform and effort of partner countries (which policy dialogue should promote and donors may support)..</p>	<p>formulation.</p> <ul style="list-style-type: none"> Sustainable management and maintenance of infrastructures are a major concern in the region. PRIF and EU are paying special attention to make the countries aware and capable to deal with this. "Building back better", disaster resilient infrastructures and infrastructure maintenance funds/budget provisions are systematically promoted in bilateral and multilateral discussions. Discussions with Pacific OCTs regarding their regional programme are still ongoing; it must nevertheless be underlined that the proposed fields of concentration for the regional OCT programme include climate change and disaster risk reduction.
Human capital and Energy		
<p>17. In the Education sector, the EU should promote the development of good quality EMIS, tracer studies and institutional capacity at national level through its national indicative programmes.</p>	<p>Education is not a focal sector in Pacific's NIP nor in the RIP.</p>	<ul style="list-style-type: none"> No particular activities under the RIP, however under the 10th EDF a regional TVET programme is being implemented. It has carried out a comprehensive assessment of education and vocational training needs on climate change and sustainable energy in the 15 PACPs. Capacities being built under this programme will benefit also the implementation of 11th EDF priority areas (both under the RIP and the NIPs). The 11th EDF intra-ACP finances for the 1st time Erasmus+ which will provide increased

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		<p>mobility opportunities from 2016 onwards for students and academics also from the Pacific.</p>
<p>18. Interventions in the energy sector should be based on more rigorous cost-benefit analysis with a comparison of the full range of investment possibilities ex: new renewable energy installation versus project increasing efficiency of existing utilities.</p> <p>Make the existence of an adequate legal and regulatory framework for private sector participation a key objective of national and regional energy policy plans.</p>	<p>Delegations and HQ agree with the suggestions and will take them into account.</p>	<ul style="list-style-type: none"> - Sustainable energy is a priority sector in 6 PACPs (Marshall Islands, Micronesia, Nauru, Niue, Palau and Tonga); it is not a priority sector in the 11th EDF RIP. - EU support to sustainable energy in these countries is framed by national energy priorities/plans which generally include both energy efficiency and renewable energy measures. - In countries where budget support (BS) is feasible (e.g. in Tonga), EU BS helps to support and incentivise progress concerning energy efficiency and renewable energy in a sector-coherent way. In countries where BS is not (yet) feasible, EU support contributes to implementing specific components of national energy policies/plans through projects. - Furthermore, the EU and the 6 PACPS where sustainable energy is a focal sector, signed a '<u>Joint Energy Declaration on reinforced cooperation in the field of sustainable energy</u>' at the Pacific Leaders Summit in PNG in September 2015. Declarations aim i. a. to promote an energy sector dialogue, to provide technical assistance for renewable and energy efficiency projects, to promote mobilization of

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		<p>the private sector and civil society in the field of energy</p> <ul style="list-style-type: none"> - The 10th EDF regional programme 'Adaptation to Climate Change and Sustainable Energy' (ACSE) includes support for the formulation and implementation of costed energy policies/action plans.. - PRIF has supported the formulation of National Infrastructure Investment Plans including for energy; - Energy Sector policies and Investment Plans generally include provisions for promoting involvement of private sector as well as Public Private Partnerships.