

# **QUESTIONNAIRE**

# Implementation of the SAMOA Pathway and the MSI, BPOA for the Sustainable Development of SIDS

# 17 April 2020

Please note that <u>strict word limits</u> have been established for each question. The Secretariat is unable to consider any information beyond these established word limits. In this regard, you are requested to report only on new, updated or on the *most critical/noteworthy* information. Information conveyed in previous surveys will also not be considered. Previous surveys can be accessed at <a href="https://sidsnetwork.org/">https://sidsnetwork.org/</a> under reports.

1. Legal/Policy/Institutional Arrangements for SIDS and/or the implementation of the SAMOA Pathway<sup>1</sup>

Does your entity/organization/government have a SIDS Strategy? If not, are there any plans to establish one, including with the appropriate resources for implementation. (1000 words)

The Economic and Social Commission for Asia and the Pacific (ESCAP) has developed a draft Pacific Strategy 2020-2024 with a focus on the Pacific SIDS although quite a few of the 2019 activities being reported in section 2 (Financial Arrangements) cover non-Pacific SIDS as well. The key elements of the Strategy are being presented to the seventy-sixth session of the Commission in May 2020 and may evolve depending on the feedback from the member States. They are presented here to frame ESCAP's responses to the questionnaire, the SAMOA Pathway Mid-Term Review (MTR) and the United Nations Development System (UNDS) Reforms. The impact of COVID19 in the SIDSs while still evolving but there is no doubt that is going to be disastrous for island communities and economies including those few which have remained infection free. However, it is heartening that the reorientation of ESCAP work towards climate actions sustainability inclusivity and equality that is evident throughout the report is going to support the message and strategy of the Secretary General

<sup>&</sup>lt;sup>1</sup> This question seeks to examine the extent to which each respondent mainstreamed SIDS and the Samoa Pathway into co-operation frameworks, programmes and activities, national development plans etc, to ensure effective follow-up and implementation at regional and national levels in SIDS.

on how to build back better by maintaining the course on the 2030 Agenda and the Paris Agreement.

### **Key Challenges and Gaps:**

The SAMOA Pathway MTR reconfirmed the special case of SIDS on account of their geographical remoteness, the small scale of their economies, high costs and the adverse effects of climate change and natural disasters. The Pacific SIDS themselves, in their midterm review preparatory regional meeting, also identified some challenges of special concern to them (see Nuku'alofa Outcome Document<sup>2</sup>), which are therefore addressed in the ESCAP Strategy.

### 1. Increasing vulnerability to the impacts of climate change and natural disasters:

Prosperity and livelihoods of Pacific communities are increasingly at risk due to the dual threats of the impacts of climate change and natural disasters. Of major concern for the Pacific SIDSs are climate impacts related to sea level rise, ocean acidification and the increasing severity of natural disasters that will impact wellbeing and livelihoods of thousands of coastal communities, the Pacific biodiversity, and culture. A new report from ESCAP shows that the average annual loss due to disasters – both as a percentage of GDP and per capita – are higher for Pacific SIDS than the Asia-Pacific average. The report estimates that some Pacific SIDS are at risk of losing more than 10 per cent of their GDP annually due to disasters.<sup>3</sup>

#### 2. Geographical remoteness, smallness of scale and high costs:

The geographical dispersion of Pacific islands and communities underpins a major operational challenge to their sustainable development. The major concerns of the Pacific SIDS relate to the limitations and risks in connectivity, costs (high) and sustainability of maritime transport, trade, ICT, energy, and increasingly people-to-people exchange.

#### 3. Increasing level of hardship and risks of exclusion:

The Pacific SIDS is known for the extent to which they cooperate on issues which are normally reserved for national and bilateral actions. In this regard, it is a common concern that, while there has been an overall fall in the level of extreme poverty across Pacific nations, the elderly, women and people living with disabilities are disproportionally vulnerable to poverty and are more likely to fall into hardship.

https://sustainabledevelopment.un.org/content/documents/Nukualofa\_Outcome\_Final.pdf

<sup>&</sup>lt;sup>2</sup> The document can be accessed at

<sup>&</sup>lt;sup>3</sup> United Nations, Economic and Social Commission for Asia and the Pacific (ESCAP) (2020). The Disaster Risk-scape across the Pacific Small Island Developing States: Key Takeaways for Stakeholders. ST/ESCAP/2880.

# 4. Challenges of coordination and monitoring:

The coordination challenge for the UN is attributed to the dispersed nature of the Pacific with countries in the Micronesia being the most difficult to reach from Fiji where the responsible UN Multi-Country Office (MCO) is located. Pacific organizations are coordinated through the Council of Regional Organizations <sup>4</sup> mechanism whose work is guided by multiple organizations and sub-regional policy frameworks. About 22 UN agencies including ESCAP are actively supporting Pacific SIDS and coordinate their work through the multi-country UN Pacific Strategy 2018-22 for all UN Pacific members except Papua New Guinea which has its own country program.

The availability of high-quality, timely data to track progress of the SAMOA Pathway, the 2030 Agenda and the Sendai Framework remains a significant challenge for Pacific SIDS. Only a third of the 232 SDG indicators have sufficient data for assessment in the Pacific, a major constraint to monitoring systems, national planning, budgeting, and development coordination.

### **Priorities for Accelerated Action:**

While the priorities of the Pacific sub-region were established through the *Pacific Roadmap* for Sustainable Development (2017) of the Pacific Islands Forum (PIF) Leaders, the accelerated actions identified in MTR process are the latest and therefore the focus of the ESCAP Pacific Strategy. These are grouped under the following five areas of proposed focus and results:

- *Climate change and disaster risk reduction* to enhance the capacity of Pacific SIDS to manage the dual risks of climate change and disasters and build resilience.
- Sustainable Management and Use of the Oceans to unlock the potentials of sustainable ocean-based economies in the Pacific.
- *Regional Integration and Connectivity* to take advantage of sustainable growth opportunities and synergies in ICT, trade, energy and maritime transport.
- Social inclusion, poverty alleviation and gender equality to realize the vision of social inclusion and equality of opportunities in the SAMOA Pathway.
- *Partnerships, data, monitoring and reporting* to meet the unprecedented demand for authoritative data and statistics and genuine partnerships for transformative actions.

#### *Modalities for Implementation:*

<sup>&</sup>lt;sup>4</sup> The Council of Regional Organizations in the Pacific is chaired by Pacific Islands Forum Secretariat (PIFS) and includes Forum Fisheries Agency (FFA), Pacific Aviation Office (PASO), Pacific Islands Development Program (PIDP), Pacific Power Association (PPA), The Pacific Community (SPC), Secretariat of the Pacific Regional Environment Program (SPREP), South Pacific Tourism Organization (SPTO), and University of the South Pacific (USP).

Through the MCO review, SIDS have also highlighted the need for increased physical presence, increased tailored policy and technical assistance, deeper engagement in global and regional inter-governmental and multi-stakeholder forums, strengthened data capacities, support for financing sustainable development, and South-South and triangular cooperation. The implementation of ESCAP's support to the MCO Review and the Pacific SIDS is guided by the following three core functions of the organization:

- 1. *Convening Function*: To deepen the engagement of Pacific SIDS, ESCAP will: (a) support to the preparation and in-person participation of Pacific SIDS at the annual session of the Commission and the Asia-Pacific Forum on Sustainable Development (APFSD), as well as through sub-regional preparatory meetings and representations including remotely as needed by the representatives of SIDS in Fiji (location of the ESCAP Pacific Office); (b) support and participate in Pacific sub-regional coordination mechanisms for SDGs and the SAMOA Pathway; (c) co-lead and/or participate in the SIDS Priority Theme Groups for the Pacific being set up under the MCO Review.
- 2. Thinktank and Knowledge Management Function: To better integrate the priorities of the Pacific SIDS: (a) ESCAP's flagship publications will increase coverage of Pacific SIDS priorities and perspectives and the Pacific Perspectives of the Pacific Office will be strengthened and closely aligned with the latest call for actions under the SAMOA Pathway; (b) ESCAP and other UN regional entities will increase the sharing of relevant regional knowledge products and expertise through the Regional Knowledge Management Hub and the Asia Pacific SDG Gateway; and (c) coordinate/facilitate the reporting of the Voluntary National Reviews (VNRs) and Pacific SIDS progress at the APFSD and High-level Political Forum on Sustainable Development (HLPF).
- 3. Capacity Building Function: To respond to the call for more presence in the Pacific sub-region and tailored assistance, ESCAP will: (a) recruit new talents into the Pacific Office and solicit additional funding to leverage existing organization-wide resources and expertise in support of the Pacific SIDS; (b) with the approval of member States, recruit at least one additional professional post to support the new MCO in Micronesia; and (c) leverage support of host governments and partners in the Pacific to enhance support to the operations of the Pacific Office.

#### 2. Financial Arrangements

Please give an indication of the budget allocated to SIDS SAMOA Pathway programme areas in your government/organization/entity, if applicable, for the period Jan. 2019 to Jan. 2020 or the fiscal cycle that best fits this period. If the priority areas cannot squarely fit this chart, please report as closely as you can.

Priorities	Investment (USD)	Budget Allocation	FY / Cycle / Period
	(002)	(%)	renou
Sustainable, inclusive and	40,513	2.76	Jan-Dec 2019
equitable economic growth			
Climate Change	716	0.05	
Sustainable Energy	48,642	3.31	
Disaster Risk Reduction	5,000	0.34	
Oceans and seas	250,284	17.05	
Food Security and Nutrition	0	0.00	
Water and Sanitation	7,450	0.51	
Sustainable Transportation	16,239	1.11	
Sustainable Consumption and	0	0.00	
Production			
Chemical and Waste	8,100	0.55	
Management			
Health and non-communicable	0	0.00	
diseases (NCDs)			
Gender Equality	2,528	0.17	
Social Development	65,614	4.47	
Biodiversity	0	0.00	
Means of implementation	1,022,882*	69.68	
(MOI)			
Etc.	0	0.00	
Total***	1,467,968**	100	

Note: \*Some of the activities under MOI are related to climate change and disaster risk reduction as well.

# 3. Implementation of the SAMOA Pathway and Support to SIDS over the remaining life of the SAMOA Pathway

Based on the call for action and other priority areas contained in on A/Res/73/4, please provide an indication of your entity's/organization's/government's proposed focus in the remaining life of the SAMOA Pathway. What outcomes are you seeking to achieve? (1500 words)

What specific actions, if any will your entity/organization/government take to address any of the gaps and challenges identified in the political outcome (paras  $15 \sim 29$ ), section on "Call for Action" in the document A/RES/74/3<sup>5</sup>? (**1500 words**)

Data and statistics remain a significant challenge for SIDS. It hinders the ability of SIDS to

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<sup>\*\*</sup>Out of which \$467,457 was for Asia-Pacific region with participation from SIDS.

<sup>\*\*\*</sup>Distribution of budget allocated to SIDS SAMOA Pathway programme areas

<sup>&</sup>lt;sup>5</sup> The document can be accessed at <a href="https://undocs.org/en/A/RES/74/3">https://undocs.org/en/A/RES/74/3</a>

report on key international commitments. Most SIDS are currently able to report on less than 50% of the SDG indicators. Please give an indication of any proposed targeted action at national or sub-regional levels, to address this area in SIDS (1000 words)

The five areas of ESCAP's 'proposed focus' in the remaining life of the SAMOA Pathway are noted in its Pacific Strategy described under section 1. They are further discussed in here with a list of 'specific actions' to be taken over the remaining life of the SAMOA Pathway and in the next two years (2020-2021):

1. Climate change and disaster risk reduction: To enhance the capacity of Pacific SIDS to manage the dual risks of climate change and disasters and build resilience, ESCAP will support/promote the: (a) paradigm shift towards low-emission and climate-resilient development pathways; (b) frameworks and instruments for mobilizing and utilizing sustainable finance and investment especially in climate finance i.e., green SDG bonds and debt swaps for low carbon climate resilience; (c) global regional and sub-regional approaches or mechanisms for disaster induced human mobility and migration; and (d) multi-stakeholder cooperation and institutional capacities for disaster risk management.

Specific actions to be taken under 'climate change and disaster risk reduction' include:

- Through the project 'Enhancing Protection and Empowerment of Migrants and Communities Affected by Climate Change and Disasters in the Pacific Region', help Pacific SIDS governments (initially Fiji, Kiribati, Tuvalu, Republic of the Marshall Islands and Vanuatu) address multi-facetted challenges associated with climate change and disaster-related migration, displacement and planned relocation. ESCAP is leading on the efforts to develop a regional approach or mechanism to deal with this challenge that member States are expected to decide on in 2021.
- Capacity development support in improving Greenhouse Gas (GHG) emissions and Paris Agreement's nationally determined contributions (NDCs) reporting, as well as for peer-learning during Asia-Pacific Climate Week 2020 and the Climate Finance Incubator.
- Apply the NEXTSTEP (i.e., National Expert SDG 7 Tool for Energy Planning) tool, which the Pacific Energy and Transport Ministers have welcomed for use in national energy planning, to improve NDCs and scale up renewable energy and improved energy efficiency.
- Technical advisory and capacity building activities to develop climate change finance instruments, such as green/SDG bond include advisory services, access to information, best practices and international expertise to help meet the requirements for pre-issuance of bonds.

- Help enhance infrastructure financing through the Public-Private-Partnership (PPP), particularly through ESCAP's platform on 'Infrastructure Financing and PPP Network in Asia and the Pacific'. Fiji, Samoa, Vanuatu, Papua New Guinea and Timor-Leste are members of the platform and will be able to access the upcoming PPP web portal that contain detailed infrastructure project information. Furthermore, upon request, member States that may wish to set up a new PPP Unit will be provided with training and advisory services.
- As part of a three-year regional initiative, extend technical advisory and capacity building support to Papua New Guinea to build the country's capacity to mitigate the impacts of climate-related risks on the achievement of the Sustainable Development Goals.
- 2. Sustainable Management and Use of the Oceans: To unlock the potentials of sustainable ocean-based economies in the Pacific, ESCAP will promote/support the: (a) frameworks strategic pathways and financing instruments for promoting sustainable blue economies; (b) regional and sub-regional cooperation and multi-stakeholder dialogues in the planning, implementation and follow up and review of the implementation of global regional and sub-regional frameworks, norms and standards relevant to the sustainable use of ocean resources; (c) sub-regional and national data ecosystem to produce and use harmonized and integrated ocean data.

Specific actions to be taken under 'sustainable management and use of oceans' include:

- Supporting Pacific SIDSs' participation at the session of the Commission,
  APFSD and related regional and sub-regional platforms to advocate and
  negotiate with regional governments and partners on critical oceans issues.
  The theme of the session of the Commission in 2020, as proposed by the PIF
  Chairman in 2019, is on oceans focusing on sustainable fisheries, marine
  litter/plastics, and maritime transport all issues of vital interest and concern
  to the Pacific SIDS. A resolution on Oceans is expected to be passed and will be
  used to guide ESCAP's work during the remaining years of the SAMOA
  Pathway.
- ESCAP will provide technical assistance on the application of eco-systems approaches to the management of crucial transboundary issues like marine litter and will continue to host the Asia Pacific Day of the Oceans providing an ongoing platform for the Pacific SIDS to engage with regional governments and partners. Special effort has been made to mainstream gender issues and women participation in the Oceans day event.
- Analysis, advice and technical assistance for scaling up investment in oceanbased economies. The Countries with Special Needs (CSN) Development Special Report for the session of the Commission in 2020 is on SIDS blue economy and will provide recommendations on strategic pathways for more

- effective regional dialogues/cooperation, financing instruments like blue bonds and investment in ocean-based tourism and fisheries.
- Through a regional project on sustainable urbanization, support to local authorities (town councils) will be provided to localize SDG indicators and advance the implementation of the SAMOA Pathway. The implementation of the Pacific Urban Agenda in collaboration with UN Habitat provides additional opportunities for ESCAP to promote sustainable coastal settlements and cities in the Pacific SIDS.
- In partnership with sub-regional organizations like the Secretariat of the Pacific Community (SPC) and the Secretariat of the Pacific Regional Environment Programme (SPREP), strengthen Pacific national and sub-regional data ecosystems to produce and use harmonized and integrated ocean data. Partnership is strong around SDG data and with the 2020 focus on SDG 14, the opportunity will be taken to accelerate indicator and data work to more meaningfully report progress in sustainable oceans management and use. Statistical tools such as <a href="Every Policy Is Connected88">Every Policy Is Connected88</a> (EPIC) and frameworks such as the System of Environmental-Economic Accounting (SEEA) and Oceans Accounts will be utilized to facilitate this work.
- 3. Regional Integration and Connectivity: To take advantage of sustainable growth opportunities and synergies in ICT, trade, energy and maritime transport, ESCAP will help develop and/or facilitate implementation and delivery of: (a) viable transition strategies for graduating from the least developed country status including for resource mobilization; (b) principles of inclusivity, affordability and sustainability in regional integration and connectivity initiatives including for ICT, trade, energy, and maritime transport; (c) ICT-based training, expertise and tools available to reduce the digital divide and high costs in the Pacific.

Specific actions to be undertaken under 'regional integration and connectivity' include:

- The implementation of the Asia-Pacific Information Superhighway (AP-IS) Agreement in the Pacific focusing on cybersecurity and associated policies, capacity building and ICT challenges, connectivity and access to isolated/rural communities, and infrastructure sharing. In the next 12 months, ESCAP is planning to conduct a study on strengthening internet traffic management (establishment of additional internet exchange points in the Pacific) in response to a request from Pacific island countries. A capacity building workshop of government officials from ICT ministries will be conducted in the second half of the year to consider the study and decide on next steps.
- The session of the Commission in 2020 where sustainable maritime transport is being examined as part of the Commission oceans theme. There are plans for follow up actions through the Commission's resolution in partnership with international and Pacific organizations i.e. International Maritime Organization

- (IMO) and SPC and SPREP. Partnerships are being strengthened including by supporting the *Pacific Blue Shipping Partnership* and the mainstreaming of maritime transport in the new UN Sustainable Development Framework.
- The use of the NEXTSTEP (i.e., National Expert SDG7 Tool for Energy Planning), which the Pacific Energy and Transport Ministers have welcomed into the Pacific, to develop Pacific SIDS SDG7 roadmaps. This will carry forward the work that ESCAP has been doing in the Pacific to enhance energy data gathering, analysis and tracking including through the *Pacific Regional Energy Data Repository* with SPC, and the Tonga Energy Roadmap. These together with research/review work on the adoption of electric vehicles (Fiji), and on clean cooking and electricity access interventions, will also help reduce dependence on fossil fuel and imported energy.
- Facilitation of Pacific SIDS effective participation in international trade, including by providing access to ESCAP database of trade and regional integration indicators and technical assistance for accession to the Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific. In 2020, ESCAP will invite representatives from Fiji, Papua New Guinea, Vanuatu and Timor-Leste to participate in technical workshop on trade policies and emerging issues.
- Technical assistance and studies on Micro, Small and Medium-sized Enterprises (MSMEs) and sustainability criteria for investment policies and frameworks (Fiji and Papua New Guinea).
- The Asia Pacific Centre for Transfer of Technology could provide advice and technical assistance on the identification/promotion of the development and transfer of modern and environmentally sound technologies relevant to the SIDS.
- 4. Social inclusion, poverty alleviation and gender equality: To realize the vision of social inclusion and equality of opportunities in the SAMOA Pathway, ESCAP will assist Pacific SIDS: (a) implement and monitor the relevant international norms and standards in the area of social inclusion (i.e. Convention on the Rights of Persons with Disabilities (CRPD)) and the development of regional and sub-regional guidelines for national domestication and implementation; and (b) develop and implement nationally appropriate social protection systems and measures for the poor and marginalized; and supportive MSME policies.

Specific actions to be undertaken under 'social inclusion, poverty alleviation and gender equality' include:

• Apart from continuing its support for the ratification of the CRPD (two Pacific SIDS are yet to ratify), ESCAP will complete in 2020 the series of CRPD national legislative reviews it has been undertaking for the Republic of Marshall Islands, Nauru, Republic of Marshall Islands, Solomon Islands, Tonga, Tuvalu and Vanuatu. This work is being done with the support of the *UN Partnership* 

- to Promote the Rights of Persons with Disability and in partnership with the PIF Secretariat and the Pacific Disability Forum. As requested by the PIF Leaders, ESCAP, on the basis of its national legislative review work, will collaborate further with the PIF Secretariat and the Pacific Disability Forum to develop regional guidelines that can assist Pacific SIDS and other countries/regions in their efforts to domesticate and implement the CRPD. This work is expected to be completed (launched) in 2021 by the PIF Leaders.
- Implement the Catalyzing Women Entrepreneurship (CWE) project in six Asia Pacific countries including Samoa and Fiji. A Women MSME Fintech Innovation Fund launched in 2019 is supporting one fintech solution in Fiji and one in Samoa; and a partnership with ADB has been developed to support a women bond in Fiji. A study on MSMEs access to finance in Samoa has been recently finalized and its policy recommendations will be discussed at a stakeholders' consultation to take place in July or August 2020.
- Implement as part of a multi-agency partnership a Joint SDG Fund project 'Strengthening Resilience of Pacific Islands States through Universal Social Protection' 2020-2021. The project aims to develop in Samoa, Cook Islands, Niue and Tokelau evidence-based nationally owned social protection. ESCAP's contribution, apart from providing direct support to social protection initiatives in the Pacific from its regional resources and team of experts will focus under this project on improving SDG social protection data and the policy synergies with disaster resilience, traditional/informal systems, financing instruments and trade.
- ESCAP is also preparing a regional publication on social protection issues in Asia and the Pacific and its ESCAP Pacific Office will focus its 2021 *Pacific Perspective* on CRPD implementation in the Pacific SIDS.
- 5. Partnerships, data, monitoring and reporting: To meet the unprecedented demand for authoritative data and statistics and genuine partnerships for transformative actions, ESCAP will: (a) facilitate and scale up genuine and durable partnerships through South-South and Triangular Cooperation; (b) strengthen national and sub-regional statistical system and monitoring frameworks to produce high quality and disaggregated data for the monitoring and evaluation; and (c) facilitate peer learning and the reporting of the 2030 Agenda and the SAMOA Pathway

Specific actions to be undertaken under 'partnerships, data, monitoring and reporting' include:

 Assisting Pacific SIDS (currently Vanuatu and Solomon Islands) in preparing for their graduation including through the formulating a smooth transition plans and resource mobilization strategies. Regional and sub-regional dialogues will continue to be an important way of learning from and supporting each other.

- Scale up genuine and durable partnerships including through South-South and
  Triangular Cooperation especially in the Pacific sub-region where the Pacific
  SIDS wish to focus. Examples are listed above as 'specific actions' that involve
  partnerships with sub-regional organizations and partners and ESCAP will
  continue to promote these through its annual regional (APFSD) and subregional (VNRs, Pacific Forum for Sustainable development) multistakeholder events.
- Continuing assistance to the VNRs in the Pacific SIDS in 2020 (Papua New Guinea, Federated States of Micronesia, Solomon Islands and Samoa) and 2021. Assistance include technical assistance and support for national stakeholder meetings and sub-regional capacity building workshops.
- A major focus of the technical assistance provided for VNRs and national/sector planning in Pacific SIDS is on SDG indicator work and data which, as called for by the SAMOA Pathway MTR, requires ongoing tailoring for the monitoring and reporting of the SAMOA Pathway. Partnership with the sub-regional organizations like SPC and SPREP on oceans (SDG14) data and on energy (SDG7) are listed above and these will be complimented by the strong VNR/SDG data partnership between ESCAP, UNDP, SPC and PIF under the Pacific VNR Team.
- Importantly, ESCAP will continue to produce the Asia Pacific SDG Progress Report with sub-regional sections and snapshots including for the Pacific SIDS. As data improves, the report will become a vital tool for keeping the pressure for accelerated actions and accountability called for by the SAMOA Pathway MTR. It will continue to provide an annual snapshot of the SDG progress in the Pacific sub-region to contribute to and supplement the Pacific's own biennial and quadrennial reports that are currently produced by the PIF Secretariat with the assistance of the Council of Regional Organisations of the Pacific (CROP) members, ESCAP and other UN agencies.
- At the regional level, as an outcome of the UNDS Regional Reform, UN regional entities will increase the sharing of relevant regional knowledge products and expertise through the Regional Knowledge Management Hub and the Asia Pacific SDG Gateway launched by ESCAP in 2017
- Training, an important part of ESCAP's assistance, will continue to be provided by ESCAP's Statistical Institute for Asia and the Pacific (SIAP) complementing the capacity development and SDG data work of the organization. SIAP is planning four sub-regional training courses for the Pacific related to: (i) gender statistics, (ii) environment statistics (once a year), (iii) data collection and analysis, and (iv) Computer Assisted Personal Interviewing (CAPI).

# 4. Financing for Sustainable Development in SIDS

Access to low cost development financing is a longstanding concern and priority for SIDS. Please indicate any plans or approaches which your entity/organization/government may

have to support or enhance SIDS access to concessional finance, including the broadening partnerships, to address capacity constraints and enhance SIDS ability to mobilise, manage and spend financial resources from a wider array of sources (1500 words).

Please elaborate on any specific plans or programmes at national and or sub regional levels to support SIDS to explore approaches and financial instruments that can help SIDS maximise resources for sustainable development from a broader array of resources, in particular through innovative financial instruments such as green bonds, blue bonds, and blending arrangements (**1500 words**).

In line with its mandate of implementing SDGs through its inter-governmental platform, analysis and capacity development assistance, ESCAP's work on financing for development seeks to:

- (a) Improve the policy environment and decision-making process by:
  - a. Ensuring accurate costing is made of SDG implementation (*Economic and Social Survey for Asia and the Pacific 2019*<sup>6</sup>) and is working with the University of the South Pacific to refine the costing methodology for Pacific SIDS. An SDG costing guidebook is being produced which can help SIDS countries develop bottom-up cost estimates for a wide range of Goals and targets and better align public resource allocation decisions and program design with the SAMOA Pathway priorities and their national development plans and strategies.
  - b. Mainstreaming sustainable development into policy planning and integrating SDGs and SAMOA Pathway into fiscal policy management. This work explores issues such as introducing well-being budgeting, using fiscal incentive and taxes to address environmental degradation and economic inequality, and promoting more socially and ecologically responsible investments.<sup>7</sup>; and
  - c. Examining and advising how additional financial resources could be mobilized by improving tax administration, exploring sovereign (green/SDG) bond financing and strengthening an enabling policy environment for PPP projects (Financing for Development in Asia and the Pacific Highlights in the Context of the Addis Ababa Action Agenda<sup>8</sup>).
- (b) Provide at a sectoral/topic level, policy analysis on financing for development, which are of particular relevance to the Pacific SIDS, for example:
  - a. Promoting tax policies that go beyond resource mobilization to leverage and incentivize the private sector to contribute to better social and environment outcomes.
  - b. Using ESCAP *Infrastructure Financing and Public-Private Partnership Network of Asia and the Pacific* to promote sustainable infrastructure development through technical training on how to prepare and develop projects in selected

12 | P a g e

<sup>6</sup> www.unescap.org/publications/economic-and-social-survey-asia-and-pacific-2019-ambitions-beyond-growth

<sup>&</sup>lt;sup>7</sup> www.unescap.org/events/asia-pacific-workshop-mainstreaming-sustainable-development-goals-planning-budgetary

<sup>&</sup>lt;sup>8</sup> https://www.unescap.org/resources/financing-development-asia-and-pacific-highlights-context-addis-ababa-action-agenda-2019

- priority sectors and facilitate the exchange of established best practices to develop climate resilient infrastructure required to address the unique challenges facing the Least Developed Countries (LDCs) and SIDS.
- c. Working with Asia-Pacific financial sector regulators in developing frameworks/guidelines on sustainable banking, as well as with financial institutions in mainstreaming the environmental, social and governance factors (ESG) into their operations.
- d. Using the *Framework for Country Studies on Access to Finance by MSMEs* to guide the preparation of national studies and promote work on leveraging the potential of fintech in transferring remittance incomes<sup>9</sup>
- e. Continuing to work with the Pacific Technical Assistance Center (PFTAC)/ International Monetary Fund (IMF) and UNDP to mainstream and integrate SDGs and SAMOA Pathway into fiscal policy management and budget planning including through follow-up of VNRs.
- (c) As noted in the list of specific actions under section 3, other examples of capacity assistance provided or made available to Pacific SIDS, include:
  - a. The development of resource mobilization strategies in the context of LDC graduation (Vanuatu and Solomon Islands).
  - b. Building the capacity of decision makers to develop infrastructure regulatory frameworks, implement sustainable and resilient infrastructure policies, and showcase demonstration projects through ESCAP *Infrastructure Financing and Public-Private Partnership Network of Asia and the Pacific,* which includes Fiji, Samoa, Timor-Leste, Papua New Guinea and Vanuatu.
  - c. MSME and foreign investment policies including in support of women entrepreneurship (Fiji and Samoa).
  - d. Examining the development roles of sustainable fisheries and sustainable tourism highlighting the importance of regional cooperation (seventy-sixth session of the Commission)
  - e. Providing technical advisory and capacity building activities to develop climate finance instruments, such as green/SDG bond, and
  - f. Mobilizing and facilitating the flow of climate finance and remittances for social protection and women entrepreneurship.

## 5. Climate Change and Disaster Risk Resilience

Please elaborate on any specific or planned programmes which your entity/organization/government intends to engage to support SIDS to build climate resilience, including building back better in the aftermath of disasters? (1000 words)

The SAMOA Pathway MTR calls on all entities of the UN system to address and integrate small islands developing States related priorities into their respective strategic and work plan in accordance with their mandates (Political Declaration - 31a). In his New Year's message, the UN Secretary General said that "We cannot afford to be the generation that

<sup>9</sup> www.unescap.org/sites/default/files/publications/WP-19-08%20Fintech%20and%20Remittance%20Paper.pdf

fiddled while the planet burned". ESCAP's mandate is to facilitate the implementation of the SDGs including SDG13 and the SAMOA Pathway through regional cooperation, and it will therefore mainstream in all its work the calls for urgent global actions in line with the Paris Agreement (Political Declaration - 30r) and address climate change impacts (Political Declaration - 26; 30u). This means that the decarbonization of economies will become a core part of the work ESCAP does on energy, on transport on trade and on cities while financing that decarbonization becomes the core of its work on economics and finance. Building resilience especially for vulnerable countries with special needs like the Pacific SIDSs will drive ESCAP's work on environment, on disaster risk reduction, on trade and on social protection.

Specific actions listed in sections 3 and 4 that are indicative of ESCAP's support for climate change and disaster risk-reduction are highlighted below. SIDS and climate actions in the remaining years of the SAMOA Pathway include:

- Help Pacific SIDS develop climate change finance instruments such as green and SDG bonds and promote the financing of climate resilient and lowemission infrastructure and services in Pacific SIDS including, in particular, energy, maritime transport, urban development and coastal settlements and ocean-related industries like tourism and fisheries.
- Development and implementation of regional and sub-regional cooperation and coordination mechanisms to deal with the multi-facetted challenges associated with climate change and disaster-related migration, displacement and planned relocation.
- To support sub-regional policy discussions, ESCAP will continue to provide regular in-depth analysis of the Pacific SIDS disaster risk landscape as a special feature of ESCAP's biennial flagship report on disasters (*Asia-Pacific Disaster Report*).
- Focusing of ESCAP's work on environment/oceans, disaster risk reduction and the role of ICT and space technologies, trade and social protection and migration on building the ecological as well as the socio-cultural resilience of Pacific SIDS economies and communities.
- In partnership with SPC, SPREP, PIFS and the UN system, strengthen Pacific national and sub-regional data ecosystems including by using statistical tools methodologies (EPIC and SEEA) and processes (National Spatial Data Infrastructure-NSDIs and VNRs) to produce and use harmonized and integrated climate-related (i.e., emission, resilience, financing, technologies/innovation and partnership) data and statistics.