



# Submission by the Pacific Community (SPC) on Australia's New International Development Policy

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# The Pacific Community's submission to the Government of Australia on its New International Development Policy

# Who is SPC?

<u>The Pacific Community</u> (SPC) is the principal scientific, development, and technical organisation of the Pacific region, established by the Canberra Agreement in 1947. We are governed by 27 members including Australia and all 22 Pacific Island Countries and Territories (PICTS) and employ over 700 people across the Blue Pacific Continent.

As a Pacific organisation, we interweave science, technology, and innovation with cultural wisdom and indigenous knowledge for our region's collective betterment. We lead regional development by contributing expertise, technical support, and monitoring of all 17 sustainable development goals (SDGs) in the countdown to 2030, and by providing long-term scientific and development capability and capacity to Pacific peoples for the past 75 years.

We serve the people of the Blue Pacific.

# Our Partnership with Australia

SPC welcomes this opportunity to provide input on Australia's New International Development Policy. Australia has been a key and trusted development partner since the founding of SPC, providing significant funding and support across our core services to the Pacific. SPC is a force multiplier for the impact of Australia's development assistance and ensuring a sense of ownership by Pacific peoples. SPC is grateful for our close partnership and looks forward to continued dialogue.

Our submission is informed by regional and bilateral experience over the past eight decades, as well as our focus on elevating the voices and priorities of Pacific communities. Noting the scope of the terms of reference, SPC's submission outlines key development challenges that Australia's new international development policy will need to address in its own regional neighbourhood, the Blue Pacific Continent. We also highlight opportunities for Australia's assistance to underpin more effective, sustainable, and Pacific-led development efforts and public policy.

### **Key Regional Challenges**

In a rapidly changing and complex regional and global context, two key trends stand out as the fundamental and overarching challenges shaping Australia's engagement in the Pacific region in the next ten years and beyond: climate change and geopolitical competition.

First, climate change is the most important issue in the Pacific Islands. It is by far the most serious security issue facing the region, threatening not only the continued existence of some countries, but also the common heritage of the entire region.

Second, intensifying geopolitical competition is driving greater efforts by regional and global powers to engage and influence Pacific Islands countries. This poses major challenges for regional efforts to coalesce a common development trajectory and build out the shared political, economic, and governance mechanisms required for this.

#### Key Opportunities for Australia's Development Assistance

#### Strengthen support for the Blue Pacific's regional architecture

Partnering with regional agencies and fully engaging with regional architecture extends and multiplies Australia's development investment. Regionalism is uniquely important in the Pacific Islands. The Blue Pacific is the common source of our peoples' spiritual and cultural values, and its resources across oceans and fisheries are irreducibly shared. The Pacific Way means sharing public goods and working together to respond to issues such as climate change, planetary health, and digital innovation. Strong regional institutions, the sharing of knowledge and data, and resilient decision-making are central to reaching the scale of effective action on all major regional challenges.

Australia can continue to play a critical role in strengthening regional institutions through dialogue, exchange, and engagement with SPC and sister CROP agencies. Key areas for focus include valuesled strategy and policy processes that draw on Pacific traditional knowledge and ensure joint ownership and accountability.

#### Increase the Pacific proportion of Australia's development assistance

Australia has a special interest and responsibility to work together with Pacific Islands peoples to ensure a peaceful, stable, and prosperous regional neighbourhood. The challenges facing the region are complex, cross-cutting, and growing. Meeting these challenges will require increased and sustained financial and non-financial commitments, both ODA and non-ODA. The Pacific region needs sustained engagement and flexible funding in support of its priorities around sustainable, just, and effective development and public policy outcomes, especially climate action. Aligning Australia's budget priorities with a greater focus on its Pacific neighbourhood would send a strong signal of partnership commitment.

#### Improve development effectiveness through flexible funding

We urge Australia to increase its proportion of flexible and programmatic funding to trusted partners like the CROPs including SPC where it has direct governance oversight. The modalities of how development assistance is delivered are a critical factor in determining its effectiveness and sustainability—especially efforts to enhance regional responsiveness and resilience to complex challenges such as COVID-19 and climate change-induced events. Flexible, predictable, multi-year funding provides the stability and agility to support strategic, high-impact initiatives by regionally owned organizations that embody Pacific agency and priorities.

Likewise, timely and at-scale provision of climate financing that is fit-for-purpose and uses simplified access modalities is critical. There is widespread agreement across the Pacific that the multilateral mechanisms are not working fast enough to achieve meaningful impact. It is not enough to pledge funding that remains inaccessible—it is essential to invest in funding architecture that enables climate financing to be mobilised and leveraged in ways that are timely and contextualised to the Pacific region.

Such climate finance should be new and additional to existing flows of ODA and other bilateral funding, in alignment with obligations under Article 12 of the United Nations Framework Convention on Climate Change. The Paris Agreement provides that mobilization of climate finance should represent a progression beyond previous efforts, with a view to achieving the global goal of USD 100 billion of climate finance annually. Provision of new climate finance to the Pacific that is additional and complementary to ODA would contribute to addressing the inequity in regional distribution identified in the 2021 OECD report and related analyses of climate finance flows.

#### Focus investment in key Pacific priority areas

The region has identified Pacific priorities, through the <u>2050 Blue Pacific Strategy</u>, SPC's regionally mandated <u>Strategic Plan 2022-2031</u> and other policy positions. As Australia implements new development funding and approaches in a context of evolving regional articulation of plans and priorities, we urge continued alignment through dialogue with Pacific-owned implementing organisations and partners.

SPC shares the vision of the 2050 Strategy for the Blue Pacific Continent. We have collectively shaped our aspirations for the future through the lens of seven key focus areas.\* Applying a systems lens enables SPC to integrate our capabilities in ways that extend beyond single projects and single sector work – therefore more effectively responding to the complex challenges facing the Pacific. We encourage Australia's New International Development Policy to adopt systems thinking, and to posture future partnerships in ways that enable greater integration of the capabilities within the Government of Australia, academia, civil society, private sector across systems and across structures.

#### **Support for First Nations Foreign Policy**

We strongly support steps to integrate a First Nations approach to Australia's Foreign Policy. This is aligned with Pacific ways of knowing, respecting, and living our cultural heritage. A more accessible, inclusive, and representative foreign policy will strengthen Australia's relationships in the Blue Pacific and deepen its ties with other First Nations peoples across the wider Indo-Pacific.

The values embedded in our Strategic Plan provide meaningful entry points for cross cultural dialogue and exchange to further enrich the partnership between SPC, a Pacific regional organisation, and the Government of Australia. Fortified by these values - generosity-enginkelap; stewardship-kaitiakitanga; unity-gida gaituvwa; and care-aroha - we present this submission.

\*See Annex on page 4

## ANNEX

Pacific people have been wayfinders and stewards of our region for centuries, using knowledge to sustain life, livelihoods and well-being. The Pacific Community Strategic Plan 2022–2031 guides the SPC in developing and transforming our Blue Pacific Continent.

SPC's Strategic Plan 2022-2031 is shaped by foresight, evidence, and analysis generated by SPC's 27 members, staff, and partners. The participatory approach was inclusive of diverse perspectives, creating ownership and identifying pathways of action toward our shared future visions.

Below is a visual depiction of the seven key focus areas that shape our aspirations for the future.



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