

DEVELOPMENT PARTNERSHIPS AND COORDINATION

1. The Pacific region is attracting growing attention from development partners. Multilateral partners (the Asian Development Bank [ADB], United Nations agencies, and the World Bank) and traditional bilateral partners (such as Australia, the European Union [EU], Japan, New Zealand, and the United States) are joined by new partners such as the People’s Republic of China; India; Indonesia; the Republic of Korea; and Taipei, China.

A. National Coordination

2. Much development partner support is focused at the national level. Government-led coordination is strengthening development partners’ alignment with national priorities. Governments have advocated for stronger governance of development assistance through their leadership of annual development partner coordination meetings. Country-level development partner meetings are typically well attended, with both traditional and nontraditional partners participating. Coordination meetings commenced in Kiribati and the Marshall Islands in 2010, the Cook Islands in 2011, and the Federated States of Micronesia in 2012. Nauru, Samoa, Solomon Islands, Tonga, and Tuvalu all now have regular government–development partner meetings focusing on policy issues set out in joint policy matrixes. In Palau and Vanuatu, development partners meet informally. The country operations business plans of Pacific region developing member countries support the intent to develop such partnerships further at the national level.

B. Regional Coordination

3. ADB pursues collaborative opportunities with regional organizations such as the Pacific Islands Forum, the Secretariat of the Pacific Regional Environment Programme, and the Secretariat of the Pacific Community. During the Pacific Approach, 2016–2020 implementation period, ADB intends to reinvigorate such partnerships, with ADB’s Pacific Subregional Office acting as the focal point, to support greater regional programming as a complement to country programming, and the implementation of the new Framework for Pacific Regionalism. Collaboration is expected to include outcome-oriented work related to the Sustainable Development Goals, climate change, fisheries, health, and information and communication technology.

4. Coordination with other development partners at the regional level has been achieved both through more frequent meetings and the involvement of more partners. Regular quadrilateral Pacific donor coordination meetings, which initially involved ADB, Australia, New Zealand, and the World Bank, have been joined since 2011 by the EU, the International Monetary Fund (IMF), and the Japan International Cooperation Agency (JICA). The seven parties now meet under the “heptagon” banner. ADB’s Pacific Department also holds annual bilateral high-level consultations with Australia’s Department of Foreign Affairs and Trade, the IMF, JICA, and New Zealand’s Ministry of Foreign Affairs and Trade.

5. There is also strong sector coordination in infrastructure supported by the Pacific Region Infrastructure Facility, which convenes strategic meetings and sector-focused technical working groups. Another regional facility, the Pacific Financial Technical Assistance Centre, exists to support public financial management. The participating partners—ADB, Australia, New Zealand, the EU, the IMF, and the World Bank—meet annually to discuss economic and public financial management issues, and also hold regular virtual meetings.

6. Strengthening partnerships to support countries in fragile and conflict-affected situations is an emerging focus. The g7+, established in 2010 in Dili, Timor-Leste, has grown to be viewed as the voice representing fragile states on the world stage.¹ The g7+ members recognize that conflict and fragility pose major obstacles to achieving the Sustainable Development Goals, and need to be remediated through peace-building and state-building measures. The g7+ drove the New Deal for Engagement in Fragile States at the Fourth High Level Forum on Aid Effectiveness held in Busan, the Republic of Korea, in November 2011. The New Deal stresses the importance of country leadership and ownership.

C. Financing from Development Partnerships

7. ADB has a good record of leveraging additional resources from development partners for interventions in the Pacific region. Deepened regional and country coordination is reflected in higher levels of cofinancing, which is also driving harmonization efforts. The cofinancing share of ADB approvals in the Pacific region rose from 18% (\$135.86 million of \$740.97 million) in 2004–2009 to 48% (\$638.60 million of \$1.32 billion) in 2010–2015. In 1998–2003, it was just 2% (\$8.14 million of \$492.45 million).

8. Increasing ADB support for low-uptake sectors, such as basic education and health, in a strategic manner has involved working closely with other development partners active in these sectors to ensure complementarity. These activities are typically cofinanced but are also enhanced through close technical partnerships and complementary support from development partners, such as the involvement of Australia's Pacific Technical Assistance Mechanism advisers, US Peace Corps volunteers, or JICA volunteers. Partnerships are only measurable in ADB's project monitoring system through the cofinancing they provide. However, nonmonetary partnerships involving joint dialogue and coordination have also been integral to successful implementation of policy-based operations across the Pacific region.

D. Expanding Partnerships

9. ADB can enhance its engagement in the Pacific region through developing partnerships with civil society organizations (CSOs), private firms and foundations, and universities and think tanks where there are identified shared interests.

10. There are opportunities to work more closely with CSOs, particularly as service providers. Bringing other stakeholders, including CSOs, into development projects makes greater use of the available human resources capacity and expertise in the Pacific region to support improved project performance and sustainable outcomes. The heightened understanding of baseline conditions provided by political economy analyses and capacity assessments can help identify suitable CSOs to partner with ADB at various stages of the project cycle. Consideration should be given to introducing project designs that engender participatory approaches, especially those that are demand driven. Stronger support of partnerships with CSOs can streamline implementation by filling gaps in government capacity, engaging with communities, and facilitating land acquisition processes. CSO partners are also needed to take ownership and scale up the activities initiated by the project. For all these reasons, capacity development needs to extend beyond executing agencies to encompass CSOs, as is already occurring in several projects. Since 2001, ADB's NGO [nongovernment organization] and Civil Society Center has been supporting CSO participation in ADB

¹ The g7+ is a group of 20 countries in fragile and conflict-affected situations and includes Papua New Guinea, Solomon Islands, and Timor-Leste (chair) from the Pacific region.

operations, including establishing, training, and coordinating an institution-wide network of some 30 key operational staff.

11. More financial resources can be brought to the Pacific region, particularly through private sector financing, which has been relatively weak.² Seeking opportunities for public–private partnerships and showcasing the lessons from these will be a focus of ADB’s work.

12. ADB is placing increased emphasis on drawing lessons from its Pacific region operations and underpinning new engagement with a strengthened knowledge base. This will be done by expanding engagement with universities and think tanks. Events such as the Pacific Update Conference with the ADB Institute, Australian National University, and the University of the South Pacific demonstrate how ADB can lead policy thinking in a range of areas in partnership with academic institutions, while the work with the Asian Development Bank Institute that produced *Pacific Opportunities* provides a better understanding of labor and finance flows and the implication for Pacific region countries, so informing future operations.³

² In addition, the Asian Development Fund minimum allocation of \$3 million annually, which commenced in January 2015, will benefit six Pacific island countries—Kiribati, the Marshall Islands, the Federated States of Micronesia, Nauru, Palau, and Tuvalu—raising their allocation by more than 300% in the case of the smallest of these countries.

³ ADB and Asian Development Bank Institute. 2015. *Pacific Opportunities: Leveraging Asia’s Growth*. Manila.