

Pacific development must be priority at Pacific Forum

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As a high level delegation led by New Zealand Prime Minister John Key prepares to join Pacific island nations at the annual summit of the Pacific Islands Forum in Vanuatu, Oxfam calls on the government to prioritise real development benefits for the Pacific's people.

This is likely to be a crucial meeting, with major tensions over policies towards Fiji, negotiations on a new regional trade agreement and frustration over the stalled climate change agreement. In the absence of Julia Gillard, Australian Prime Minister and current chair of the Forum, the New Zealand government needs to make clear commitments so that development issues are given priority.

Oxfam New Zealand's Executive Director, Barry Coates, is in Port Vila for the Forum meetings. He set out the challenges: "Over one third of the Pacific's people live in poverty, despite the Pacific's rich resources, cultures and skills. The slow progress in the Pacific will be high on the agenda of the UN summit on the Millennium Development Goals (MDGs) in September."

Development

Oxfam is calling on the government to take specific actions to help accelerate the Pacific's progress towards meeting the UN goals for poverty reduction. "The Pacific, along with sub-Saharan Africa, is one of the two regions lagging furthest behind in progress towards meeting the MDGs. It is time to press the fast forward button. This should be the summit at which New Zealand signals it is prepared to be a true friend of the Pacific and to back it with tangible commitments."

Aid

John Key suggested last week that he may discuss New Zealand's pledge to more than double its overseas aid spending by 2015 at the Forum. He noted that the government's current aid spending is less than half of the target that New Zealand and 22 other nations agreed to achieve by 2015. Five countries have met the target and 11 more have announced plans to do so. New Zealand has not yet announced a timetable to meet its promises and help the Pacific and other countries to reduce poverty.

Barry Coates commented: "New Zealand has a good reputation for its approach to development partnerships with Pacific countries, but our programmes are far too small. This Forum is the ideal opportunity for John Key to demonstrate that New Zealand is committed to helping the Pacific to achieve the MDGs. He should announce a timetabled increase in aid in order to meet the goal of providing 0.7% in development aid by 2015."

Trade

The Pacific leaders will discuss progress on regional trade negotiations between New Zealand, Australia and the 14 Pacific island nations (under the Pacific Agreement for Closer Economic Relations – PACER Plus). Even the early stages of these negotiations have been controversial over the strong push to start negotiations before the Pacific nations have been able to consult with their people or establish a regional negotiating mechanism.

Oxfam New Zealand has welcomed the New Zealand government's adaptability that it has recently signaled in the negotiations, undertaking to show flexibility and build an agreement

around economic benefits for the Pacific rather than requiring a rigid free trade agreement.

In its new report, *Learning From Experience: Sustainable economic development in the Pacific*, Oxfam New Zealand highlights a number of successful Pacific enterprises that have overcome challenges of geographical isolation, poor infrastructure, high transport costs and limited production capacity to successfully compete in international markets. Oxfam is calling on the government to consider alternatives to PACER Plus that build on the development needs these businesses have already identified and experienced.

Barry Coates explains: “The report identifies some constraints to Pacific exporters, including rules about where products are produced (rules of origin). However, New Zealand gives far more favourable treatment to Australia and other countries on these rules than it does to our Pacific neighbours. One trust-building measure at this Forum would be for New Zealand to offer our Pacific neighbours rules of origin that are at least as good as those we offer to others.

“Oxfam hopes that the prime minister will reiterate that New Zealand will offer flexibility to the Pacific under PACER Plus to strengthen Pacific economic development, and will commit to interim measures that will improve opportunities for Pacific exporters to be able to export to New Zealand.”

<http://pacific.scoop.co.nz/2010/08/pif-pacific-development-must-be-priority-at-pacific-forum/>