



Australian Government

PACIFIC REGIONAL COVID-19 DEVELOPMENT RESPONSE PLAN

- COVID-19 has underscored the importance of regionalism – addressing common challenges together, harnessing shared strengths and delivering practical benefits to all Pacific people.
- Pacific island governments have acted quickly and effectively to contain COVID-19, but lockdown has come at a high social and economic cost.
- Building on our Pacific Step-up, Australia is supporting regional solutions to address economic, environmental, security and social challenges, complementing our bilateral support for Pacific countries.

The Pacific's long established regional organisations, the Pacific Islands Forum (the Forum) and the Pacific Community (SPC), have responded quickly to COVID-19. Forum members have established the Pacific Humanitarian Pathway for COVID-19 – the only regional initiative of its kind in the world and a powerful demonstration of the Forum's capacity to respond to this crisis. Working with Pacific partners to build a region that is secure, stable and economically strong is one of Australia's highest foreign policy priorities. Closer cooperation among Pacific countries is essential to the region's long-term economic and security prospects.

COVID-19 SITUATION ANALYSIS

The impact of COVID-19 in our region is severe, threatening to reverse many hard won gains. Early comprehensive travel restrictions and domestic measures by Pacific governments have been successful at keeping the numbers of confirmed COVID-19 cases low to date. We share Papua New Guinea's (PNG) concern regarding their emerging case numbers. Other Pacific countries may still experience outbreaks with potentially severe health impacts.

Strict border measures, combined with lower demand for Pacific exports and a collapse in tourism, have come at a high economic cost. As of August 2020, many countries are under significant fiscal and debt distress, key enabling infrastructure services are under pressure, and many families have reduced household incomes due to job losses, reduced work hours or reductions in remittances. Government revenues are falling at a time when there are increasing demands on expenditure.

Latest global and regional forecasts indicate that the duration of the crisis in the Pacific will be deeper and longer than initially forecast; and that recovery will be slower. Some of the hardest hit countries might not return to their pre-COVID-19 levels of GDP per capita

and development for a decade.

The effective halt to international tourism is causing economic disruption and hardship for many Pacific countries. As a large source of employment and government revenues, and with tiny domestic tourism markets, the impact is significant.

Globally, remittances are expected to reduce by 20 per cent in 2020. In the Pacific, we are starting to see some declines in remittance flows in some countries. Given their sizeable contribution (equivalent to 38 and 16 per cent in Tonga and Samoa respectively in 2019) any reduction will impact overall household incomes. Pacific labour mobility workers have, in most cases, remained in Australia since COVID-19, and continue to be a valued remittance source.

Pacific island countries have become further isolated with the near collapse of Pacific airlines. Passenger volumes are one per cent compared to the same time last year and freight has dropped by almost 30 per cent. Most Pacific economies are dependent on people flying in (tourism, resources) or out (remittances). Food security, essential supplies and citizen repatriation have been of concern to Pacific Governments. Many are providing varying degrees of financial support to airlines, to the detriment of other spending priorities.

Poverty and vulnerability will worsen due to the economic shock from COVID-19, with significant social consequences. The Asian Development Bank (ADB) suggests that more than one million people in the region could fall into extreme poverty.

Livelihoods and food security will come under increasing pressure over the immediate future. Urban people in the informal sector have limited support structures. Traditional 'safety nets' – families, village communities and churches – are under increasing strain. The need for government support for vulnerable groups, including



through cash transfer programs and other welfare arrangements, is growing.

The impact of COVID-19 is disproportionate for women and their children. There is a well-documented spike in gender-based violence in households arising from the COVID environment. Women are more vulnerable to lost income, more exposed to the virus as front-line health workers, face increased domestic and care burdens, increased economic insecurity and reduced access to health services and support. Domestic violence and school closures will affect children.

The impact of COVID 19 is disproportionate for people living with disabilities: evidence suggests that COVID-19 is exacerbating vulnerabilities and exclusion, especially as disability, health and other social services are disrupted.

The sophistication of health systems varies across the Pacific countries. However, as global experience shows, COVID-19 outbreaks can easily overwhelm any country. Other health challenges throughout the region – like high chronic disease prevalence, poor access to clean water and sanitation, high numbers of persons per household and fragile primary health systems – may also increase the likelihood of COVID-19 related morbidity and mortality in the Pacific.

Maintaining a focus on strengthening health systems and universal health coverage, in addition to the immediate pandemic response, is essential for regional health security. Many countries have diverted health expenditure away from regular priorities. While this has been necessary due to constrained resources, it is likely to have an adverse impact, particularly on people with existing health conditions and those in rural or remote communities.

Primary health clinics and routine vaccination processes will be essential when a COVID-19 vaccine becomes available. As demonstrated by the recent outbreaks of vaccine preventable diseases within some Pacific countries, the degree to which these critical services are in place vary. This is a complex issue, where a regional approach will be essential.

The importance of inclusive, accessible and sustainable water, sanitation and hygiene (WASH) is clear. WASH is the first line of defence against COVID-19, a key first response when natural disaster strikes, and important in maintaining healthy and resilient communities. The Pacific is the only region in the world where WASH access has declined over the past decade: basic sanitation coverage fell from 38 per cent to 30 per cent over 2000-2017. COVID-19 is adding pressure to struggling and often disaster-affected water utilities by

disrupting their supply chains and reducing their revenue.

COVID-19 has caused significant disruption to education systems in the Pacific. There are reports of students dropping out of school/tertiary education due to limited connectivity to access online learning, or as a cost saving measure. The impacts will be far-reaching for individuals and Pacific workforce development into the future.

The 2018 *Boe Declaration* recognised climate change as the single greatest threat to the livelihoods, security and well-being of the peoples of the Pacific. Climate change undermines economic, social, and stability efforts. It makes extreme weather events more likely and/or more intense, and Pacific countries are particularly vulnerable to natural disasters. In turn, climate and weather events can exacerbate COVID-19 risks, for example by degrading hygiene levels, and forcing people together to seek shelter. Key economic recovery sectors such as tourism, agriculture and fisheries are particularly vulnerable to climate change impacts.

Now more than ever, the commitment of Pacific Islands Forum Leaders (including Australia) to pursue deeper forms of regionalism is important. The Forum and SPC, have responded quickly to COVID-19. The Forum's *Pacific Humanitarian Pathway for COVID-19* met national needs by facilitating the movement of essential supplies and personnel across the region. SPC and other organisations are providing technical and policy support, data, and public goods that will become more essential as national capacities become stretched. They are also pivoting to maximise their support for regional economic recovery and food security in areas like fisheries, agriculture and education quality. As the region turns its attention to longer-term economic challenges, these regional approaches will play a greater role in recovery efforts.

AUSTRALIA'S RESPONSE

Australia's COVID-19 response is building on our Pacific Step-up, which is helping to grow economies, build resilience and enhance regional stability. Our regional development program addresses health, economic and social challenges through regional and coordinated solutions. It complements our global and bilateral investments in Pacific countries.

We will utilise all elements of Australia's economic, trade security, diplomatic and migration engagement to extend our impact.

Australia is committed to an increased role for Pacific people and organisations in shaping and the delivery of our response. We will support, and strengthen, partners to lead locally-developed and owned responses.



In addition to the *Partnerships for Recovery* strategy and the 2014 Forum *Framework for Pacific Regionalism*, these principles inform the Pacific Regional program:

1. Supporting Pacific-driven coordination on issues that are transboundary in nature
2. Delivering regional collective goods and services
3. Building regional institutions and norms to further regional objectives and support national capacity
4. Deepening regional integration, including Australia's connections with our region, and
5. Fostering common policy approaches.

As a member of the Pacific Islands Forum, we recognise its unique capacity to guide regional collaboration on shared challenges and advocate for the region's priorities globally. The 2019 *Kainaki II Declaration for Urgent Climate Change Action Now* and Forum's determination to shape the future of the Blue Pacific, demonstrate its critical role in advancing regional priorities. Australia's participation in Forum leaders, ministerial and officials meetings, along with our support to the Forum Secretariat and Council of Regional Organisations of the Pacific (CROP) agencies, enables us to contribute to regional recovery strategies to boost economies and support our interests in a stable, prosperous and resilient region.

Australia's productive, long-term SPC partnership enables it to pivot to address health and economic needs arising from the COVID crisis. SPC provides regional science and technical support in public health, education, social development, human rights, statistics, climate change, disaster resilience as well as tuna fisheries and natural resources.

Likewise, our long-term investments with the Secretariat of the Pacific Regional Environment Programme (SPREP) and the Pacific Islands Forum Fisheries Agency (FFA) ensures environment and fisheries management support respectively. These remain critical areas in our response.

Maintaining our support to the University of the South Pacific (USP) is protecting our investment in the skills of future generations of Pacific workers and leaders.

Australia will provide COVID-19 supplementary funding of \$304.7 million as part of a COVID-19 Response Package. This package will provide support to the Pacific and Timor-Leste to deliver critical, temporary, economic support to address pandemic impacts; this targeted, temporary (ODA) funding is for two years and is in addition to Australia's \$4 billion ODA program.

Health Security

Australia is working with partners – like the World Health Organization (WHO) and SPC's Public Health Division – on procurement of medical supplies, workforce and laboratory capacity building, infection prevention and control and disease surveillance. This investment, through the Indo-Pacific Centre for Health Security, is addressing the immediate COVID health challenges, and complementing our bilateral investments in national health systems.

Australia will support equitable access to safe and effective COVID-19 vaccines in the Pacific through multilateral and regional initiatives to finance, assess, deliver and monitor COVID-19 vaccines.

Australia is supporting drug safety through a regional partnership with our Therapeutic Goods Administration and its regional counterparts. We will upskill health workers to respond to COVID-19. Our partnership with IPPF (International Planned Parenthood Federation) and UNFPA is ensuring supply and access for women to sexual and reproductive health services.

Global partnerships will provide WASH support in the region. Our Water for Woman partnership supports WASH services in four Pacific countries. Our partnership with the Pacific Water and Wastewater Association is supporting 31 Pacific water utilities.

Stability

Australia's engagement in security remains critical to the region's recovery from COVID-19. Australia is committed to the Forum leaders' *Boe Declaration* (2018) that outlines an expanded concept of security to ensure the stability and prosperity of our Blue Pacific. The Australia Pacific Security College is pivoting its focus to support responses, with an emphasis on health security. The Pacific Fusion Centre is providing regional decision makers with strategic analysis on shared security challenges. The Australian Border Force is supporting border security responses unique to a pandemic, and will respond to priorities as border restrictions evolve. The Pacific Maritime Security Program is supporting Pacific countries to protect maritime resources and security. The Pacific Transnational Crime Network is evolving to drive information sharing and intelligence on transnational crime matters.

To meet food security challenges exacerbated by COVID-19, Australia's coastal fisheries support is assisting to secure sustainable fish stocks and local supply of fish.



We will continue to support regional collaboration to tackle illegal, unreported and unregulated fishing, and promote healthy oceans, sustainable tuna fisheries and efforts to tackle ocean litter. Within the context of COVID-19, we will continue our long-standing support for the region to secure maritime rights through delineation and building the resilience of maritime boundaries to the impacts of climate change. Our support for the SPC's Centre for Pacific Crops and Trees is assisting to conserve, and make available for use, improved food crop planting materials. We will support improved agricultural productivity for smallholder farmers and manage agricultural biosecurity threats. The Australian Centre for Agriculture Research will continue to broker and support regional research collaboration across the Pacific.

Consistent with the *Kainaki II Declaration*, Australia is investing in building the Pacific's climate change and disaster resilience through the Australia Pacific Climate Partnership, integrating resilience into COVID-19 responses, with an emphasis on gender equality and social inclusion.

Australia will invest in gender equality to expand social and economic opportunities for women and girls. We will maintain our strong focus on the safety of women and children, including by joining the new partnership between the Forum and Pacific churches to prevent violence. Minister Payne will continue to collaborate with women leaders and male champions to advance the position of women and girls. We will work closely with women leaders and regional organisations to design and implement a new set of partnerships focusing on gender equality. Our women's economic empowerment activities will support women to generate and control their income during COVID-19.

Australia has advocated through the Global Partnership for Education Board to secure access to COVID-19 response funding for seven Pacific island countries. We will continue our strong partnership with the Educational Quality Assessment program to provide technical support to Ministries of Education across the region to respond to the impact of the pandemic on students.

At this time of crisis, our investments that foster deeper people-to-people connections are being adapted. Our regional church partnership is sharing approaches from across Pacific nations to support frontline responses in health and social services. Our partnerships between schools and sporting organisations are continuing through virtual platforms and COVID-safe events.

Economic recovery

Australia's response is delivering critically needed infrastructure development and stimulating jobs, trade and private sector growth for economic recovery. The Australian Infrastructure Financing Facility for the Pacific (AIFFP) is progressing a number of projects that increase the affordability and reliability of energy – providing businesses, households, schools and hospitals with increased operating capacity. The AIFFP will focus on projects that maximise local job creation and private sector participation. Through our long-term support for the FFA, we will continue efforts to grow the value and employment opportunities from tuna fisheries.

Australia has reopened Pacific labour mobility, working with industry and whole-of government partners to identify additional sectors and new pathways for labour mobility to Australia. We support the continuation of remittance flows to the Pacific, as well as rural and regional Australia labour market needs. We will support the implementation of the Pacer Plus trade agreement, boosting regional trade and investment.

We will continue to foster connectivity by supporting the movement of critical supplies and people, especially through the Forum's Pacific Humanitarian Pathway for COVID-19. This support in a time of strict border controls and reduced commercial flights is saving lives and jobs in countries that are highly dependent on regional connectivity. We will support longer-term regional approaches to ensure a safe, sustainable and equitable Pacific aviation sector.

We will support inclusive skills development across the region through the Australian Pacific Training Coalition. We will adapt training to ensure future offerings reflect the new needs of Pacific employers and those industries hardest hit by COVID-19, and maximise the opportunities created by labour mobility. We will also work to leverage opportunities to link with our infrastructure investments under AIFFP. Through our partnership with USP we are enhancing digital and remote learning in the region.

Our partnerships with multilateral development banks and international financial institutions will support Pacific nations to access global finance. By August 2020, 46 per cent of the USD1.5 billion requested from the IFIs by Pacific countries had been approved or disbursed.

Australia will continue to work with Pacific island governments, the World Bank, ADB and the United Nations to access finance, policy and technical assistance and improve crisis response and multilateral system reform to build back better.

Table 1: COVID-19 Response Plan Performance Framework

	Health Security	Stability	Economic Recovery
Expected Outcomes	<ul style="list-style-type: none"> - Contribute to Pacific country progress towards better, fairer, and affordable health care to improve health outcomes (SDG 3) - Advance our efforts to address regional health risks and emergencies (SDG 3) - Address unmet health needs linked to higher comorbidity risk factors associated with COVID-19 (SDG 3) 	<ul style="list-style-type: none"> - Forum leaders, ministerial and officials meetings build support for collective responses to the economic and social impacts of COVID-19, and support delivery of essential goods and services (SDG 17) - More targeted, and far-reaching, support to vulnerable people (SDG 1, 5, 8, 10) - Build resilience to the impacts of climate change and natural disasters across our major economic, social and stability initiatives (SDG13) - Secure and stable maritime boundaries support sustainable fisheries and ocean development, management and conservation (SDG 14) - Enhanced regional security cooperation, analysis of shared threats and coordination of responses through targeted support to Pacific security and law and justice officials (SDG 16) - Increasing participation of women at all levels of decision making across preparedness, relief and recovery [or in national recovery planning and decision-making] (SDGs 5,10,16) 	<ul style="list-style-type: none"> - Australian infrastructure investment projects support economic recovery, increase job localisation, increase connectivity to energy, internet and transport, promote resilience, and stimulate productive investment (SDG 7, 8, 9, 11) - Pacific workers provided opportunities to re-skill in order to prepare them for work in changed labour markets and support decent work in the region (SDG 8, 10) - Pacific countries are supported to remain connected through the movement of essential supplies, personnel or cohorts critical to mitigating severe health and economic impacts (SDG 9, 10, 12) - Regional economic recovery programs facilitate deeper regional economic integration, diversification and access to new trade opportunities (SDG 8, 17) - Partnerships with international financial institutions and development partners support improved fiscal management in Pacific island countries (SDG 8, 10, 16, 17)
Key Results	<ul style="list-style-type: none"> - Number of partner countries where Australia has contributed to strengthened health systems including preparedness for health emergencies (with examples) [target: fourteen] - Evidence that partner countries have improved responses to health security threats - Number of new or improved therapeutics, diagnostics, vaccines and additional equipment to which Australia has contributed that are accessible in partner countries [target: TBC] - Contraceptive protection from unplanned pregnancies made available through Australian support 	<ul style="list-style-type: none"> - Examples of partnering with regional organisations to support regional COVID-19 measures - Number of women and girls survivors of violence receiving services such as counselling [target: 40,000] - Number of people reached with new or improved social protection programs* [target: 150,000] - Countries Australia has supported in the last 12 months with policy and technical advice on building capacity for security, climate change and disaster resilience, maritime boundaries, fisheries, food security, gender equity or media (including examples of assistance provided and results achieved) [target: fourteen] - Climate change and disaster resilience is integrated into all relevant regional investments 	<ul style="list-style-type: none"> - Countries receiving AIFPP financing includes inclusive local jobs creation [target: six] - Examples of support for changing labour market needs, Pacific workers in Australia and skill development activities - Examples of partnering with the private sector and other regional partners to ensure supply lines are open - Countries Australia has supported in the last 12 months with policy and technical advice on stimulus measures and longer term fiscal and economic recovery initiatives (including examples of assistance provided and results achieved) [target: fourteen] - Increased capacity and influence of women and girls to contribute to local, national and regional economic growth, stability and security
Supporting Investments	<ul style="list-style-type: none"> - Pacific Regional Health Investments (Universities, SPC's Public Health Division, International Planned Parenthood Federation) - Pacific Health Integration (Australian Department of Health & Ageing, Therapeutic Goods Administration) - Global Health investments including infectious disease control, health systems strengthening and support and sexual and reproductive health (WHO, International Planned Parenthood Federation, United Nations Population Fund (UNFPA), PNG Institute of Medical Research, The Pacific Community, World Health Organisation, Academic Institutions, UNICEF, The Global Fund to Fight AIDS, Tuberculosis and Malaria) - Global Water, Sanitation and Hygiene (ADB, UNICEF East Asia Pacific Regional Office, iNGOs, World Bank) 	<ul style="list-style-type: none"> - Support to regional organisations (PIFS, SPC, FFA, USP, SPREP, PILON, OCO, PIDC, PICP, IPPC) - Pacific Women Lead / Pacific Women Shaping Pacific Development - Australia Centre for International Agricultural Research investments - Australia Pacific Climate Partnership (Bureau of Meteorology, UNDP, Palladium) - Australia Pacific Security College and Pacific Fusion Centre (ANU) - Australian Federal Police programs and Attorney-General's Department Pacific Law and Justice Program - Defence Cooperation, Pacific Maritime Security Programs and Home Affairs Deployable Pacific Capacity Building Programs Pacific Transnational Crime Network and Cyber Cooperation Program - Pacific Media Assistance Scheme 	<ul style="list-style-type: none"> - Australian Infrastructure Financing Facility for the Pacific and other infrastructure investments (multiple partners) - Pacific Labour Scheme and Seasonal Workers program (World Bank, ANU, Palladium International Pty Ltd) - Australia Pacific Training Coalition (TAFE QLD) - Fisheries Development Programs (FFA, SPC, ACIAR, PIF, Australian Fisheries Management Authority, Attorney-General's Dept, Western & Central Pacific Fisheries Commission) - Essential Services and Humanitarian Corridor and connectivity investments - Pacific Regional Market Access Programs (PHAMA Plus, ADB; Department of Agriculture, Water and the Environment) - Support for private sector development (PSDI), Innovations in Financing, Pacific



	<ul style="list-style-type: none"> - The Australian Volunteers and the Australian NGO Cooperation Program (ANCP) 	<ul style="list-style-type: none"> - Global disability inclusion investments (Disability Rights Advocacy Fund, Pacific Disability Forum) - Global Social Protection support (UNDP, Palladium, World Bank) - Disaster preparedness and response (Australian Red Cross and multiple partners) - Governance and fighting financial crime (AUSTRAC-Pacific Island Partnership Program) - Pacific Financial Technical Assistance Centre (IMF) and Regional Pacific/ global anti-corruption investments (implemented by UNDP, UNODC and Transparency International) - Global Partnership for Education (GPE) - The Australian Volunteers and ANCP 	<ul style="list-style-type: none"> - Island Private Sector Organisation, UNDP Pacific Financial inclusion program) - PACER Plus Support (Home Affairs, UNCTAD; PIF) - Pacific Financial Technical Assistance Centre (IMF) - Global Trade and Economic Growth support, including private sector development, infrastructure (World Bank, IP Australia, Cancer Council Victoria – The McCabe Centre for Law and Cancer, Consultative Group to Assist the Poor, ADB) - AUSTRAC-Pacific Island Partnership Program
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