



Australian Government



SOLOMON ISLANDS COVID-19 DEVELOPMENT RESPONSE PLAN

- Australia is partnering with Solomon Islands to respond to COVID-19 and implement Solomon Islands' *National Development Strategy (2016-2035)*.
- Solomon Islands responded swiftly to COVID-19 and has no evidence of community transmission to date. Global lockdown has, however, had a significant impact on Solomon Islands' economy, affecting natural resource exports, and remittances.
- Australia is scaling up health systems support, improving access to services through investments in education, telecommunications and infrastructure, helping build capacity in the police force and boosting the skills of Solomon Islands' workers to contribute to economic recovery.

Australia and Solomon Islands are strong security, development and economic partners. We share similar COVID-19 response goals—to save lives and livelihoods and emerge stronger post-pandemic. We are Solomon Islands' largest bilateral donor and are re-shaping our efforts in response to COVID-19, including through support to keep schools and health clinics open, the courts and police operating, and other government services functioning. Australia's partnership with Solomon Islands is aligned with the Solomon Islands' *National Development Strategy* and Solomon Islands and Australia will continue to be key regional partners.

COVID-19 SITUATION ANALYSIS

On 25 March, Solomon Islands declared a state of emergency that put in place COVID-19 prevention and preparatory measures. These included: barring non-citizens from entering the country without prior approval; suspending the regular schedule of international commercial flights; closing schools and most markets; banning recreational sea vessels; and closing its western maritime border with Papua New Guinea to all traffic. Practice curfews were undertaken during the weeks of 6 April and 18 May. The Solomon Islands Government urged all citizens in Honiara that could return to home villages to do so. On 24 July, Solomon Islands' state of emergency was extended to 28 November 2020. Some restrictions have now been eased. All schools returned on 4 May and many people have returned to Honiara from other provinces. On 3 October, the Solomon Islands Government confirmed one COVID-19 case during routine quarantine testing. There is no evidence of community transmission to date.

Despite the absence of community transmission, COVID-19 is highlighting critical gaps in Solomon Islands' health

security. Should an outbreak occur, a number of factors would impact the response, including: poor access to water and sanitation, especially in informal urban settlements and poor rural communities (access to handwashing facilities is available to only 29 per cent of rural and 59 per cent of urban populations); large multi-generational households (average 5.5 people per household); and an under-resourced primary health system. The high prevalence of co-morbidities and non-communicable diseases, including cardio-vascular disease, diabetes and respiratory illness, could also increase the mortality rate of an outbreak.

Solomon Islands was facing economic and fiscal hardships prior to COVID-19—according to the World Bank, Solomon Islands is one of the highest per capita recipients of aid in the world and, according to the OECD, one of the 31 countries that are 'severely off track' in reaching the Sustainable Development Goals. In 2019, Solomon Islands' GDP per capita grew by 1.2 per cent. Solomon Islands' economy will contract in 2020, with current forecasts ranging between -3.9 per cent and more than -10 per cent if community transmission of COVID-19 occurs across the country and lockdowns are implemented.

While comprehensive data on the economic impact of COVID-19 in Solomon Islands is not yet available, early observations indicate that it is exposing the vulnerabilities of Solomon Islands' economy. These include the country's reliance on imported food and fuel, a formal economy based on logging and donor financing, and a weak system of formal social protection. Fisheries, logging and mining exports have slowed. A large and extended contraction in logging exports would significantly reduce government revenue, of which logging accounts for around 20 per cent. The loss of

export income is also putting pressure on foreign reserves and the exchange rate.

In June 2020, the International Monetary Fund assessed Solomon Islands to be at moderate risk of external overall debt distress. Support from Australia, other bilateral partners and international financial institutions may help insulate Solomon Islands' economy from the worst effects of COVID-19, but the resulting economic shock has already reduced the Solomon Islands Government's narrow fiscal buffer. In response to COVID-19, the Solomon Islands Government announced an economic stimulus package to help cushion the already fragile economy from the impact of the downturn. Australia is supporting Solomon Islands' response through a \$13 million package of direct budget support, with \$8 million allocated to health and \$5 million to economic stimulus.

Like much of the Pacific, Solomon Islands faces a difficult and uncertain road ahead. Graduating from United Nations Least-Development Country status (scheduled for 2024) would be in jeopardy if income per capita falls below the current graduation threshold of USD1,036. Devpolicy suggests a 20 per cent contraction in household consumption could increase the rate of extreme poverty to 37 per cent. Disruptions to education from school closures and potential reductions to the education budget could push Solomon Islands off its positive education trajectory. Increases in poverty levels will disproportionately affect women; over 75 per cent of women work in vulnerable informal employment including subsistence work, self-employment and unpaid family work.

AUSTRALIA'S RESPONSE

Consistent with the Pacific Step-up, Australia is taking a whole-of-government approach as it cooperates with Solomon Islands in addressing the impacts of COVID-19. Key implementing partners include the Department of Foreign Affairs and Trade, the Australian Federal Police (AFP) and the Department of Defence. We will use all levers of government – diplomatic, trade, economic and security partnerships – so that our official development assistance and broader development efforts have the greatest impact.

In line with the Solomon Islands Government's priorities, Australia's immediate focus is on emergency health, economic and humanitarian assistance. In the medium-term, we will work with Solomon Islands to facilitate an uplift in economic activity, while continuing to strengthen health security and systems. In the long-

term, Australia will contribute to stability and economic recovery.

Australia will assist Solomon Islands to maximise the benefit it receives from regional and global initiatives, including non-government organisation (NGO) and volunteer programs. Across our bilateral partnership, we will draw on our growing people-to-people links, supported by our labour mobility programs.

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

It is vital that health services are capable of responding to COVID-19, should it reach Solomon Islands. This will require a renewed focus on funding for, and policy dialogue regarding, broader health system priorities. Climate change affects vulnerable groups in different ways and can compound health challenges through increased risk of disease, disaster injury and psychosocial issues. Health systems strengthening will incorporate climate change and disaster resilience measures.

Australia is the largest donor in the health sector—our Health Systems Support Program was scaled-up to provide an additional \$8 million in response to COVID-19 in 2019-20, and will provide approximately \$17 million in 2020-21. This funding has increased pandemic preparedness, supported provincial health services and enabled domestic COVID-19 testing capacity. Australia provided preparedness and response advice, a temporary quarantine facility, funding for public awareness material and improved laboratory capacity for COVID-19 testing. We are working with Solomon Islands on COVID-19 risk mitigation procedures for incoming airline passengers.

Australia is committed to working closely with Solomon Islands to secure early and equitable access to a COVID-19 vaccine through multilateral and regional initiatives to finance, access, deliver and monitor COVID-19 vaccines. Through Australia's \$300 million global contribution to Gavi, the Vaccine Alliance, and our \$242 million pledge to the Global Fund to fight AIDS, Tuberculosis and Malaria, we will also support the Solomon Islands Government to combat other communicable diseases. The Indo-Pacific Centre for Health Security will extend support to Pacific health ministries – including Solomon Islands' – in the areas of infection prevention and



control, training for field epidemiology, vector control and surveillance, and the deployment of health security technical resources, as required. Regional partnerships through the World Health Organization (WHO) in Suva, the Pacific Community, and Tupaia (a health systems mapping system) will also provide resources, skills, information and technical expertise on health security.

The need for better Water, Sanitation and Hygiene (WASH) services, including in health care settings, is critical. Australia will support WASH, livelihoods, and food security in Solomon Islands through the Australian Humanitarian Partnership, working through a network of local partners. Our global partnerships are providing technical and community WASH support in Solomon Islands.

Stability

Extending the reach of government services and economic networks more broadly throughout the country remains important. Our digital development work will seek to improve access to these services and networks, enabled by the Coral Sea Cable. We will provide budget support for education to ensure that schools can stay open and adapt to shifting volumes of demand. We will support the Solomon Islands Government to strengthen the national judiciary, legislative capacity, access to justice and correctional services through our justice program.

Australia is exploring providing funding for the World Bank's Community Access and Urban Services Enhancement (CAUSE) project, which will reinforce social inclusion, and mitigate the risk that some Solomon Islanders might feel left behind during COVID-19, by providing short-term employment and economic opportunities to vulnerable groups. CAUSE will help to provide important job-ready skills that can be utilised in a post-COVID-19 environment and will build lasting social and economic infrastructure that will improve the lives of many Solomon Islanders.

Globally, rates of gender-based violence are increasing as restrictions on movement are imposed, economies are closed down and unemployment rises. Women and children in Solomon Islands will likely experience the economic and health impacts of COVID-19 to a greater degree than men. Australia's development support will reflect this and we will identify ways to actively address imbalances in opportunity across our investments. We remain open to opportunities to establish appropriate new social protection measures, especially those that link to government systems.

Australia will work to ensure women and children, including women and children with disabilities, have access to protection and support services. This will include providing technical assistance for national rollout of the SAFENET Response and Referral Network (SAFENET). Delivered by NGOs and faith-based organisations, our support will expand safe counselling services for survivors of gender-based violence to all Solomon Islands provinces.

Australia helps to underpin security and stability in Solomon Islands, within the framework of our bilateral security treaty, including through a police capacity development program – the Australia-Solomon Islands Police Development Program (SIPDP) – and our longstanding Defence Cooperation Program. These programs have pivoted to support Solomon Island's COVID-19 response. With AFP assistance, the Royal Solomon Islands Police Force (RSIPF) is developing long-term capability and leadership. In response to COVID-19, the AFP will work with the RSIPF to fulfil its responsibilities under COVID-related emergency legislation.

Defence is supporting Solomon Islands' COVID-19 response, with a focus on its long western border, by increasing the RSIPF's surveillance capability to detect illegal border movements. Defence has funded increased patrol boat rotations, gifted additional tents and aluminium fast boats, and improved radio communications capability at two RSIPF outposts. This is in addition to the substantial commitment to deliver a joint Border and Patrol Boat Outpost in the western region, as announced by Prime Ministers Sogavare and Morrison in October 2019. Design work for the outpost is progressing well, despite COVID-19. When completed, the outpost will enhance Solomon Islands' border security efforts.

The Australian Border Force will deliver capacity building to Solomon Islands border agencies to strengthen their capabilities and supply chains with a focus on safe operation in a COVID-19 environment. The Home Affairs Portfolio is also assisting Pacific multilateral bodies to ensure regional collaboration—including the Oceania Customs Organisation, Pacific Immigration Development Community and Pacific Islands Chiefs of Police.

Economic Recovery

Australia will support efforts to promote economic response and recovery, private sector resilience, open markets and supply chains, improved livelihoods and inclusive growth.



COVID-19 adds to the urgency of meeting the needs of large numbers of unemployed youth. The regional Australian Pacific Training Coalition (APTTC) and our education program will help to build the appropriately skilled workforce that the public and private sectors require. Australia will continue to support the Solomon Islands Government to achieve its ambitious labour mobility target of 10,000 workers per year through our Pacific Labour Scheme and Seasonal Workers Program.

The Australian Volunteers Program will focus on the health sector and economic recovery. It will provide remote volunteering support to partner organisations, and will re-commence sending volunteers in-country when it is safe to do so.

Australia supports the agriculture sector in Solomon Islands through our aid for trade program, Pacific Horticultural and Agricultural Market Access (PHAMA) Plus, and our private sector program, *Strongim Bisnis*. These programs will improve economic growth and employment opportunities, safeguard rural and peri-urban livelihoods and improve food security for rural households. Solomon Islands ratified the Pacific Agreement on Closer Economic Relations (PACER Plus) on 22 June 2020, which will improve market access to Australia for specific products produced under the program and bolster PHAMA Plus. PHAMA Plus focuses on intervention, quality and certification standards of exports and value-adding on timber, cocoa and ngali nuts, and has pivoted due to COVID-19 towards examining local product niches. *Strongim Bisnis* will support the cocoa, coconut and timber sectors with a focus on value-adding within the domestic market.

Australia will engage in policy dialogue and deploy targeted support to improve the Solomon Islands' business environment and enable private-sector growth. A key vehicle for promoting economic recovery and increasing employment will be Australia's new 10-year, \$250 million Solomon Islands Infrastructure Program (SIIP), which will complement our \$2 billion Australian Infrastructure Financing Facility for the Pacific (AIFFP). SIIP aims to improve access to services and contribute to broad-based, inclusive and sustainable economic growth. Implementation will focus on economic infrastructure and contribute to a more conducive environment for broad economic activity, including allowing for greater

private sector participation in the economy. Our funding for the Solomon Islands Chamber of Commerce and Industry will assist the private sector to engage on key Solomon Islands policy reforms.

Fit-for-purpose infrastructure that will withstand extreme weather and disasters both builds community resilience and creates secure environments for long-term investment and growth. The \$290 million Tina River Hydropower Project, co-funded by Australia including under the AIFFP, will deliver lower and more predictable electricity costs for businesses and households. Australia will seek other opportunities to leverage or pivot existing activities that deliver climate-resilient growth.

HOW WE WILL WORK

Partnerships are at the heart of Australia's work with Solomon Islands. We will be led by local priorities and will work closely with the Solomon Islands Government. We will also work with a range of partners, including: WHO and the United Nations Children's Fund (UNICEF); the Asian Development Bank (ADB); the World Bank; regional and global organisations; NGOs; churches and bilateral partners.

Australia will seek to ensure that vulnerable groups, including women, girls, and people with disabilities, secure benefit from, and are involved in, decision-making processes and we will be attentive to addressing the needs of people living in remote regions or insecure urban settlements.

As the largest bilateral donor, Australia is uniquely positioned to support Solomon Islands to achieve its development agenda. Well-targeted programs, designed and implemented in conjunction with Solomon Islanders, can deliver meaningful and lasting benefits. In partnership with the Solomon Islands Government, we will help to keep schools and health clinics open, the courts and police operating, and other government services functioning. In-built flexibility will be a cornerstone of our future programming. Australia will allocate 15 per cent of our overall development program for Solomon Islands' COVID-19 response across the development, economic and security sectors.

As a close friend, Australia stands ready to assist Solomon Islands to navigate these uncertain times.



Table 1: COVID-19 Response Plan Performance Framework

Response Plan	Health Security	Stability	Economic Recovery
Expected Outcomes	<ul style="list-style-type: none"> - Solomon Islands improves the current levels of primary health care - Solomon Islands has adequate quarantine, isolation, surveillance and response capacity - Adequate amount of medical stock available at the national and primary health facilities (Sustainable Development Goal 3) 	<ul style="list-style-type: none"> - Rural populations receive public services - Women and children survivors of violence are better supported - More primary and junior secondary school-aged children have access to quality education - Improve Solomon Islands' capacity to secure its borders <p>(Sustainable Development Goals 4, 5, 10, 11, 13 & 16)</p>	<ul style="list-style-type: none"> - Infrastructure promoting private sector opportunities - Uptake on Coral Sea Cable increases - Construction commences on the Tina Hydropower Project, including AIFFP-funded transmission lines - Solomon Islands' workers with enhanced skills are contributing to economic recovery <p>(Sustainable Development Goals 1, 8, & 9)</p>
Key Results	<ul style="list-style-type: none"> - Decrease in vector borne disease incidence - Increase in rate of supervised deliveries - Number of children immunised with Australian support - Budget execution rate for Ministry of Health and Medical Services over 75 per cent - Number of people trained in field epidemiology, surveillance and infection prevention and control - Adequate laboratory capacity to test for COVID-19 - Stock availability in national medical store and in primary health care facilities - Increase in number of people who have access to improved water and sanitation - Number of people assisted with family planning 	<ul style="list-style-type: none"> - Net enrolment primary school rate is over 88 per cent - Number of schools with improved water and sanitation facilities - At least 70 per cent of year 4 students achieve the expected level for literacy and numeracy in the SISTA assessment - Number of women and girls survivors of violence receiving services such as counselling - Number of domestic violence counsellors trained - Numbers of households linked to markets, including digital linkages - Capacity to undertake regular border surveillance activities 	<ul style="list-style-type: none"> - Coral Sea Cable uptake (measured in Gbps) - Australian budget support as a percentage of supplementary budget expenditure (in response to COVID-19) - Increased infrastructure investment to improve access to services and contribute to inclusive economic growth - Number of female entrepreneurs provided with financial/business development services - Number of Technical and Vocational Education and Training (TVET) teachers adopting improved teaching practices - Number of TVET students (female/male) reached with improved teaching practices <p>Number of returned labour mobility and seasonal workers reporting increased capacity to earn an income (employment, entrepreneurial)</p>
Supporting Investments	<p><i>Bilateral programs</i></p> <ul style="list-style-type: none"> - Health Sector Support Program - Education Sector Support Program - Addressing Gender Equality in Solomon Islands - Solomon Islands Disaster Management and Climate Resilience Program <p><i>Regional programs</i></p> <ul style="list-style-type: none"> - Disaster Ready/Australian Humanitarian Partnership - Health Security Initiative for the Indo-Pacific region <p><i>Global programs</i></p> <ul style="list-style-type: none"> - Australian Volunteers 	<p><i>Bilateral programs</i></p> <ul style="list-style-type: none"> - Australia's Solomon Islands Justice program - Education Sector Support Program - Community Access and Urban Services Enhancement (CAUSE) Project - SIPDP - Defence Cooperation Program - Attorney-General's Department Pacific Law and Justice Program - Addressing Gender Equality in Solomon Islands <p><i>Regional programs</i></p> <ul style="list-style-type: none"> - Pacific Women Shaping Pacific Development 	<p><i>Bilateral programs</i></p> <ul style="list-style-type: none"> - Australia's Solomon Islands Governance program - Health Sector Support Program - Education Sector Support Program - Solomon Islands Infrastructure Program - <i>Strongim Bisnis</i> - Addressing Gender Equality in Solomon Islands - Education partnership - Solomon Islands Disaster Management and Climate Resilience Program <p><i>Regional programs</i></p> <ul style="list-style-type: none"> - PHAMA Plus - Disaster Ready/Australian Humanitarian Partnership - Australia Pacific Training Coalition - Pacific Labour Mobility/Seasonal Worker Program <p><i>Global programs</i></p> <ul style="list-style-type: none"> - Australian Volunteers