



PACIFIC ISLANDS FORUM  
SECRETARIAT

SECRETARIAT OF PACIFIC  
REGIONAL ENVIRONMENT  
PROGRAMME



## 12<sup>th</sup> MEETING OF CROP SUSTAINABLE DEVELOPMENT WORKING GROUP

Pacific Island Forum Secretariat

Committee room A, 30<sup>th</sup> July 2006 Suva Fiji.

### Working Paper (4)i: Mainstreaming and NSDS Strengthening

#### 1. Purpose

The purpose of this paper is to seek endorsement from SDWG, for CROP Heads consideration, on the proposed way forward for implementing NSDS-based mainstreaming of key thematic issues.

#### 2. Background

In 2005, the Pacific Islands Forum Leaders endorsed the Pacific Plan, in which Initiative 5.1 refers to the strengthening of national sustainable development strategies (NSDS) or their equivalent. The Pacific Islands Forum Secretariat under the Pacific Plan is the lead coordinator for implementation of this initiative.

In addition, the Leaders have also called for the implementation of the respective regional frameworks, regional strategies and or regional plans of actions (See Annex 1) in relation to sectoral and cross sectoral themes, including on climate change and disaster (Initiatives 5.5 and 13.4), and energy (Initiative 5.4, and mitigation aspects of aspects of 5.5). These regional policies and frameworks of action guide the efforts of regional organisations and development partners in supporting member countries to address their respective national development goals. Under the Pacific Plan, different CROP agencies are identified as having the 'lead' **coordinating** role for the implementation of initiatives, reflecting their traditional technical / scientific roles in the respective areas.

Included in many of these regional sectoral and thematic frameworks of action, policies and/or plans, is the 'mainstreaming' of respective thematic issues into national planning and budgetary processes, and strategies and actions that relate to improved decision-making processes at sectoral and national levels (Table 1). For example, Theme 1 of the Pacific Framework for Disaster Risk Reduction and Disaster Management deals with strategies related to "Governance - Organizational, Institutional, Policy and Decision-making Frameworks". Similarly the PIFACC Principle 2 deals with "Governance and decision-making' identifying expected outcomes to include: mainstreaming; public-private sector-community partnerships; CROP agency partnerships; and good governance.

Table 1: Examples of key NSDS related strategies and actions common to several Regional Policies, Frameworks for Action, and/or Action Plans
<ul style="list-style-type: none"> <li>mainstreaming of thematic consideration into national planning and budgetary process (eg DRM; PIEPP; PIFACC, PIROP)</li> </ul>
<ul style="list-style-type: none"> <li>mainstreaming of economic, environmental and social considerations in sectoral level decision-making, including the use of market based instruments to finance environment conservation (DRM; PIEPP, PIFACC; PIROP)</li> </ul>
<ul style="list-style-type: none"> <li>promoting information based decision-making process, including traditional knowledge and robust statistical information (DRM, PIEPP; PIROP, PIFACC)</li> </ul>
<ul style="list-style-type: none"> <li>developing appropriate national targets and indicators for the thematic area that reflecting the three pillars of sustainable development (and in line with MDG's)</li> </ul>
<ul style="list-style-type: none"> <li>improving governance and decision-making process to facilitate sustainable development, including administrative and institutional structures to implement and operationalize regional strategies, policies and plans. (Integrated decision making and consultative mechanisms) (PIROP; PIFACC; DRM)</li> </ul>
<ul style="list-style-type: none"> <li>reviewing legislations that affects SD at the national level and improve coordination between legislative frameworks, and develop guidelines for those who must carry out legislative objectives (PIFACC, PIROP, DRM)</li> </ul>
<ul style="list-style-type: none"> <li>building institutional and human capacity at all levels to facilitate sustainable development (DRM; PIFACC; Energy, Oceans)</li> </ul>
<ul style="list-style-type: none"> <li>coordinating and harmonising donor support (DRM, PIFACC, Energy, Oceans)</li> </ul>

The Forum Leaders have also signed on to many different regional agreements that reflect principles of sustainable development, good governance, stakeholder based decision-making processes, private sector led development, competition based development, economic efficiency or at least cost effectiveness, and economic regulatory principles.

In July 2007, the Pacific Island Countries (PIC) and the PIC partners also signed the Pacific Aid Effectiveness Principles, which call for strengthened aid management and coordination mechanisms at the national and regional level. CROP agencies and development partners have also agreed, under the Pacific Plan, to better coordinate their assistance to member countries and regional services that complement FICs national efforts.

Coordination of assistance provided by CROP agencies and other development partners can be enhanced by the presence of prioritised sector plans linked to NSDSs, and the adoption of sector-wide and programme approach to service delivery and funding.

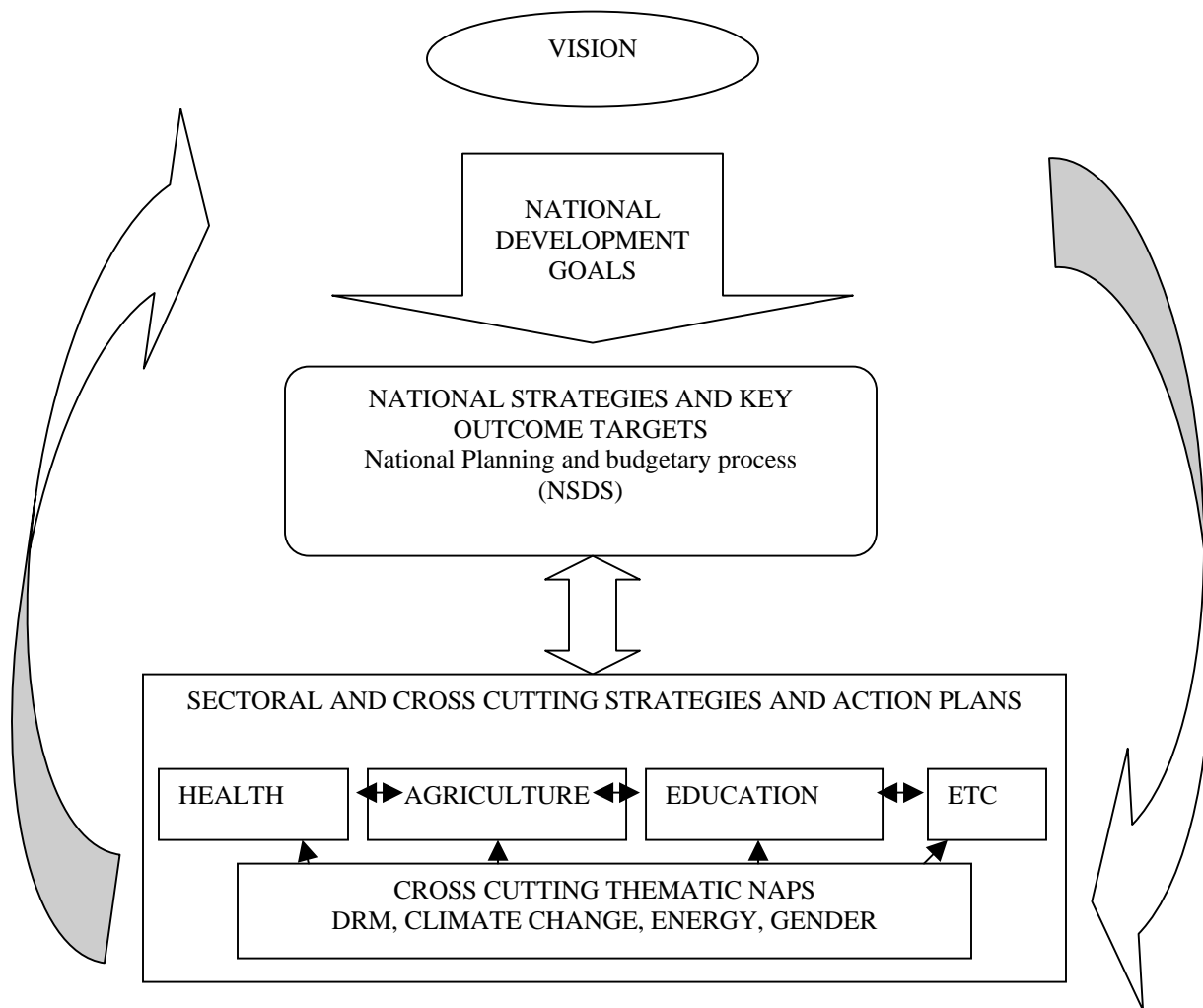
Before we consider how we approach mainstreaming of key sectoral or thematic issues into NSDS and the approach CROP agencies may adopt to cost effectively support member countries in this regard, it will be useful to have a common understanding of what NSDS is and what is meant by mainstreaming.

### **3. Strengthening National Sustainable Development Strategies**

The call for NSDS strengthening, donor coordination and aid management came about in the recognition of a number of national planning and development related concerns that

face PICs. These were outlined in the Pacific Assessment Reports Prepared for the 2002 World Summit on Sustainable Development (WSSD) and the Mauritius International Meeting on the Implementation of the Barbados Plan of Action for Small Island Developing States in 2005 (Annex 1). Many of the issues raised also are relevant to even the traditional sectors that have often been given highest priorities in national development, such as education and health. In many countries, the link between these sectoral plans and national development plans and budgetary processes is rather tenuous.

In practical terms, the NSDS is **NOT** just a national development plan, but also a package of linked sector plans, decision-making processes, and budget processes illustrated in Figure 1.



Strengthening NSDSs, as required under the Pacific Plan, is about a different way of thinking and a way of making decisions that reflects explicit and balanced considerations of the three pillars of sustainable development (economic, social and environment), good governance and other agreed principles.

Strengthening NSDS includes **moving away** from:

- developing and implementing fixed development plans, which are ‘blue print’ , towards adopting an adaptive process that is continuously being improved;
- sectoral planning towards integrated ‘holistic’ planning;
- top-down budget allocation towards a budget allocation that closely reflects sectoral level priorities and programmatic costing
- seeing the government as having the responsibility for development towards a situation where society as a whole is seen as having the responsibility for development;
- centralized and controlled decision-making towards a process which is participatory and involving all relevant stakeholders in a concerted effort and in a transparent evidence based decision-making process;
- a focus on outputs (projects, legislations, plans) towards a focus on outcomes (impacts) on people, and/ or the quality of participation and management process;
- a focus on donor driven ‘projects’ towards domestically driven development programs.

**Mainstreaming** is thus a country focussed methodology for:

- strengthening stakeholder based NSDS based planning, decision-making and resource allocation processes that also reflects cross cutting thematic considerations;
- integrating sectoral or thematic concerns, strategies and measures into ongoing and new development polices and plans; and
- operationalising regional and international commitments made by our Leaders, including the principles of sustainable development, good governance, stakeholder based decision-making processes, private sector led development, competition based development, economic efficiency or at least cost effectiveness, and economic regulatory principles

#### **4. Benefits of Mainstreaming**

There are several benefits of adopting an integrated mainstreaming approach to NSDS strengthening, including those in relation to:

- Achieving needs and aspiration of people
  - A national sustainable development plan that addresses needs and aspirations of the people
  - An explicit link between national development plan, prioritized sector strategies and annual budget allocation

- A set of coordinated mechanisms & processes of a participatory system for developing vision, goals, and targets for, and coordinate implementation and review of SD
- A transparent platform for the government to deliver on the agreed development goals
- Transparent and accountable decision-making process that also minimizes conflict
  - Decision- making processes that encourages integration of economic, social and environmental objectives, and other regionally agreed guiding principles (or at least a recognition of the need for trade off between the objectives)
  - Clear, transparent and accountable decision making processes involving key departments / ministries with responsibility for a common theme, promoting inter-ministerial collaboration and coordination
  - Evidence based decision-making processes at all levels guided by an agreed set of guiding principles and an agreed decision-making framework
- Public-Private-Community Partnership
  - A platform for developing public-private partnerships to deliver on core public services where appropriate
  - A framework within which private sector based economic and social development can be facilitated
  - A framework within which a partnership between the government and community can be forged to manage natural resources and the environment
- Coordination of development partner assistance - Aid Effectiveness
  - A common country platform for engaging with development partners to increase aid effectiveness
  - A common country platform for engaging with regional organizations for obtaining targeted, coordinated and harmonized regional services that add value to their own national development effort and increased CROP collaboration, maximizing cost effectiveness of services and minimising competition amongst CROP agencies
  - A country focused platform for engaging with other Pacific SID, regional organizations, and development partners to promote regional integration

## **5. Mainstreaming methodology**

To mainstream key thematic issue into NSDS, a number of critical steps would be followed, which requires collaborative analytical and policy inputs from a number of different technical experts and domestic partners. Critical components of mainstreaming include: review of the NSDS and its role in national development; the identification of the strengths, weaknesses, gaps, responses to strengthen specific sectoral management (problem tree analysis and objective/ solution identification); the review of the link between sectoral plans and NSDS and the relationship between sectoral medium term budget and the medium term national fiscal expenditure and revenue budget; and strengthening of sector level budgeting that reflects outcome focused priorities and national development goals.

Key interdisciplinary expertise required in mainstreaming includes at least economic planners, institutional analysts, budget specialists, technical/ scientific expert, policy analysts, as well as sectoral and cross sectoral managers and community stakeholders. Thus for example, for DRM mainstreaming and the development of Vanuatu's PAA-linked National Action Plan (NAP), communities, disaster manager, as well as economic planner, institutional economists, economic planner, budget specialist and meteorologist and volcanologist were involved. Energy mainstreaming, on the other hand, may include a similar team members, but with fossil fuel, renewable energy and or utility specialists replacing the technical specialists on disaster risk management.

Amongst the key outputs of mainstreaming exercise are:

- a strengthened national development plan, including priority national development goals, priority strategies, baselines, targets and indicators (NSDS, NSDP, NISP, SDP or equivalent);
- NSDS linked prioritised medium term sector plan, and annual operational plan ( Sectoral/ Thematic “National Action Plan” (NAP));
- a medium term sectoral budget with indicative sectoral costing linked to the medium term fiscal management framework; and
- an annual sectoral/ thematic budget

## **6. Key Elements of Operationalising Mainstreaming**

In recent times strengthening NSDS-linked mainstreaming assistance has been provided in relation to disaster risk management in Vanuatu and RMI and in terms of assisting member countries with their sector level prioritization for engagement with donors. There are other initiatives in the pipeline, including DRM-NAP development in PNG and Cook Islands; further NSDS-linked sector level prioritization in Tuvalu and Cook Islands.

Based on these experiences, it is evident that mainstreaming requires country focused ‘joint programming’ (and implementation). It is also clear that some key elements of mainstreaming need to be addressed at the regional and national levels if the CROP agencies and other development partners are to cost effectively support member countries, while ensuring that the country has the ownership of the process and products. These include:

### *CROP Agencies and Development Partnership*

- Need for ‘boot and all’ partnership of a core group of CROP and development partners for each country and ongoing commitment from the Partners;
- Need for mainstreaming exercise to be jointly coordinated by at least PIFS **AND** the Thematic Lead CROP Agency;
- Need for a common understanding amongst the partners and country team of what mainstreaming means and a framework for implementing the process in country;
- Need for an agreed methodology and steps to follow for assisting countries with the development of the NSDS-linked and prioritised Nation Action Plan for sectors and cross cutting issues;

- Need for establishing a skills based team with clear roles and responsibilities defined for each of the ‘boots and all’ partners in line with their level of engagement;
- Need to identify appropriate technical and financial support required and respective organizational contribution or funding accessed for the joint initiative by partners; and
- Need for joint implementation and post NAP support as necessary to member countries

#### *Member Country Engagement and Ownership*

- Need for explicit commitment for mainstreaming at the highest political level in country;
- Need for a high level Government Reference Group (usually comprising permanent Secretary) for guiding and vetting key strategies and or policy decisions during the NAP process;
- Need for interdepartmental and stakeholder based Country Task Force (including planning and finance) to be established and engaged with the ‘boots and all’ partners and drive the NAP development process;
- Need for at least one champion within the country to drive and manage the process; and
- Need for an agreement on in-country resource commitment, as relevant, for the NAP process.

## **7. Future Mainstreaming and Partnership**

There is momentum gathering under country level implementation of the Pacific Plan Initiative 5.1 and with the implementation at the country level of the various regional policies, framework and action plans for various sector and cross cutting issues.

SDWG CROP agencies will continue to be called upon to assist in the mainstreaming of various sustainable development issues. Efforts are already underway in relation to NSDS linked sector prioritisation and budgeting at the national level, and DRM, Leaders have recently called for mainstreaming of Climate Change and energy. We are likely to see a move to mainstreaming of other SD issues, such as environmental conservation etc.

A partnership approach has been used successfully for DRM and can provide some very significant tangible benefits. This has recently been experienced in for example Vanuatu and Tuvalu (see box1).

### **Box 1 – Success stories**

#### **1. Vanuatu – DRM Partnership (SOPAC, PIFS, UNDP)**

SOPAC coordinated a partnership to assist Vanuatu in the mainstreaming of DRM. The partnership with representation from SOPAC, PIFS, and UNDP, helped the country team produce the PAA (Vanuatu’s NSDS) linked prioritized NAP for DRM. The partnership also developed a supplementary PAA to reflect the DRM goal, and helped produce an

indicative medium term budget for the DRM NAP. A similar process is also underway in RMI. In this Partnership, SOPAC, as the lead coordinating agency provided the overall coordination and management of the initiative, and support for on ground country activities. PIFS provided strategic advice about the conceptual and methodological framework and methodologies, national and sectoral planning and prioritisation and budget estimation. UNDP has provided technical and financial assistance in conducting situation analysis, gap analysis and identification of solutions. The DRM national and development partners collectively designed the NAP.

In Vanuatu, this process has helped strengthen their inter-departmental decision-making processes regarding cross cutting disaster risk management and adopt the NSDS decision-making process outlined above. The Government has already started using the Cabinet approved PAA\_NAP to make some strategic decisions about institutional arrangement for DRM and allocate their domestic resources for priority initiatives. For example, in June 2007 the government decided to establish a disaster risk reduction and disaster management Project Management Unit (PMU) within the Prime Minister's Office. They also agreed in principle to allocate 24.7 Million VT to meet the cost of the DRM entity pending the review of options paper on the establishment of the disaster Risk Management entity (DRM entity). These were the highest priority initiatives identified in the NAP.

They are also using the PAA\_NAP together with the medium term costings to engage with donors in a coordinated manner. The Government of Vanuatu is now able to engage with donors to also seek financial and technical support for the priority initiatives highlighted for implementation in 2007- 2008 in an appropriately sequenced manner.

## **2. Tuvalu – Health and education sector prioritization and donor coordination**

PIFS provided mainstreaming assistance to Tuvalu (with some initial inputs from USP-PRIDE). This initiative helped the Department of Education and Health to explicitly link their sector plans and strategies to their Kakeega II (NSDS). The joint PIFS-Tuvalu Health and Education Sector Teams subsequently produced a prioritized list of activities and strategies for urgent attention in the short to medium term (2008-2010).

As a result of this initiative the Tuvalu Government for the first time in three years was able to get a commitment from Australian and New Zealand during 2007 July donor roundtable to support their key education priorities. Australia also provided indicative support for key priorities under the health sector, even though the health sector was not listed as a priority area for Australia's bilateral support to Tuvalu. By developing a prioritized list of activities for the health sector together with the respective justification for the priorities, it was possible for the Tuvalu Government to argue, and the donors to see, the relevance of financial support under their fiscal management category of bilateral support.

At the Donor Roundtable, Australia and NZ in particular came forward with their support for the priorities identified by the Government and asked for concept notes on each of the



initiatives, and with an indicative cost (outlining assumptions etc). During a follow up meeting with AusAID and NZAid, the program of priorities identified for 2008 have all been given 'in principle support, with at least three initiatives identified as 'early wins'.

### ***Need for partnership***

Mainstreaming in effect comprises a multiplicity of planning, analytical and implementation initiatives. Consequently, a diverse set of expertise is required to support and conduct the process in country. However, no one domestic, regional and or international agency is likely to have all the necessary depth and breadth of expertise in one institution. Furthermore, given the limited availability of resources in the region, the Forum Leaders have recognized the importance of partnership in its Vision Statement of 2004. Many Type II Partnerships were formed following 2003 WSSD. These partnerships can be built on to develop technical 'boots and all' partnership for the mainstreaming exercise, for which as discussed earlier, collaboration amongst a multiplicity of expertise is critical.

This was explicitly also recognized by the CROP Heads in August, 2005 when they agreed to the concept of joint programming to help coordinate and appropriately sequence their efforts.

A partnership approach to mainstreaming will help ensure cost effective use of the limited resources in the region, minimize duplication and avoid different, and at times conflicting, approaches being adopted by different CROP agencies. It will also help harness complementary set of expertise scattered across different CROP agencies to produce increased synergistic outcomes. The member countries would also be able to better engage with the CROP agencies and other development partners within their absorptive capacity. These are all consistent with the Pacific Principles of Aid Effectiveness, which the Forum member countries and PICS partners signed in July 2007, and the Pacific Plan; Pacific Plan is underpinned by also the philosophy of taking advantage of economies of scale in the delivery of regional services.

## **8. Recommendation**

It is recommended that SDWG recommend to the CROP Heads to:

- Agree to develop country focused core 'boots and all' regional partnerships involving at least the relevant CROP agencies for assisting member countries to mainstream priority thematic issues;
- Agree that PIFS, as the lead agency for NSDS strengthening, and respective lead CROP agency for respective thematic area jointly plan for, obtain joint funding for, and coordinate, in-country mainstreaming effort; and
- Agree, to annually report to CROP Heads and PPAC on the progress and outcomes of such mainstreaming partnerships.