Summer 2014

The Commitment

SIDS SPECIAL ISSUE

Genuine and Durable Partnerships for Small Island Developing States
Summer 2014

Contents

5 Special feature
Voyagers Chart the World’s Rising Seas

Interviews

3 Fostering Private Sector Partnerships in Small Island Developing States
By Gyan Chandra Acharya, Under Secretary-General of the United Nations and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS)

10 The Business of Climate Change Solutions
The Carbon War Room, founded by Sir Richard Branson, is an international non-governmental organization which aims to tap into the power of entrepreneurs to implement market-based solutions to climate change.

12 Bringing Disaster Risk Reduction into the Boardroom
Margareta Wahlström, Special Representative of the Secretary-General for Disaster Risk Reduction, will moderate a session on creating private sector networks at the SIDS Conference in Apia. Nosh Nalavala, asks Ms. Wahlström more about creating private sector networks in SIDS.

14 Uniting to Solve Island Challenges
Ronald Jumeau, Seychelles Ambassador for Climate Change and Small Island Developing State Issues, talks to The Commitment about the importance of partnerships for development and climate change adaptation.

18 Connecting Communities in Samoa
The Commitment spoke to Fia’alletoa Pepe Christian Fruean, Chief Executive Officer, Digicel Samoa.

19 Pacific Islands Continue to Attract Tourism in the Face of Challenges
Ilisoni Vuidreketi, Chief Executive Officer, South Pacific Tourism Organisation talks to The Commitment on the potential of tourist arrivals in the Pacific.

Also in this issue

7 UN-OHRLLS and iTunes Partner to Showcase Small Island Music
8 Village Economies in Samoa Partner with Big Business
16 Supporting Low-income Homes in the Pacific

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Partnerships are Critical for SIDS

For SIDS, partnerships, including those with the private sector, not only make business sense, but are also a necessity.

Partnerships and partners are a natural ally for SIDS in building resilience. The characteristics that make SIDS inherently vulnerable have a direct impact on the islands’ own private sector development and growth.

SIDS are small in terms of population, and in most cases also in land mass. Due to their small size, SIDS cannot benefit from economies of scale. As many of them are remote and isolated from the world’s major markets, transport costs to and from and within the SIDS are among the highest in the world. Therefore, many SIDS have geared their economic activities towards tourism, promotion of cultural and natural heritage, fishing and marine resources, financing, and information and communication technology (ICT). In view of the higher transaction costs, their focus should be on high value products and services for international trade, and domestic production of agriculture and industrial products that can contribute to reduce the cost of imports.

The 2013 foreign direct investment (FDI) flows into SIDS continued to recover for the second consecutive year. Many SIDS have undertaken legislative reforms to create better business environments. SIDS have continuously sought ways to strike the right balance, including through the active involvement of public, private, local, and, in many cases, indigenous partnerships. While many factors, including capacity constraints and the impact of the global financial crisis, have come into play in determining overall ease of doing business in SIDS, it is clear that some of these countries need to work hard to improve the number of days they require to start a business.

Regional Cooperation

SIDS have some of the best examples of regional cooperation and integration in terms of pooling resources. The benefits of a collective approach have contributed to building resilience in SIDS, and have strengthened regional solidarity. This collective approach is also reflected in the regional private sector with the establishment of entities such as the Pacific Islands Private Sector Organization and the Caribbean Export Development Agency. In order to facilitate better partnerships between states, the next natural step is the development of better linkages between different SIDS regions. This can contribute towards a better sharing of experiences including best practices and lessons learned.
At the same time, the relative increase in the size of the market – a direct consequence of a regional approach – could also be beneficial for the private sector. Regional integration and cooperation can play a significant role in alleviating the burden of national approaches to issues such as transport and energy costs. In this regard, initiatives that have grown directly from SIDS, such as the SIDS-DOCK sustainable energy initiative, are prime examples of partnership mechanisms that bring together SIDS in addressing their energy challenges in a collective manner. Such approaches should be supported.

SIDS' open economies leave them vulnerable to external shocks beyond their control. Many SIDS are still emerging from the adverse impacts of the economic crisis that started in 2008. The tourism industry, for example, has experienced a decline in visitor numbers over the past years. As a key SIDS industry sector, this impact on tourism has had a negative impact on the smaller travel operators, prevalent in SIDS, with many of them going out of business. However, there are now signs of some recovery and this sector needs to be further nurtured.

SIDS are located in disaster-prone regions of the world. Impacts of climate change resulting in the sea level rise, acidification and salinization of aquifers, and frequent and ever more powerful hurricanes and cyclones have been quite devastating. Yet, SIDS have shown themselves to be stoically resilient in rebuilding their lives, livelihood and nations after every setback. The cooperation and partnership of the international community, including the private sector, remains an essential component for SIDS to creating climate-resilient infrastructure and adopting new technology to reduce risks and vulnerabilities.

**Opportunities for Green Growth**

Concurrently, further to strengthening the private sector in SIDS, partnerships will also need to be fostered between private sectors, the global private sector and business leaders. The opportunities for partnerships with SIDS are enormous. For SIDS, their environment is the foundation upon which much of their economic and social sustainability are based. Therefore it is paramount that policies and activities that promote SIDS’ economic growth and social sustainability are not followed at the expense and to the detriment of their environment.

SIDS are well positioned to show the

“SIDS are a diverse group of countries with uniquely different challenges, opportunities and priorities. But whatever their national goals and aspirations are, the common enabler to achieving them is through the power of genuine and durable partnerships. My own country is passionate about partnerships because it speaks to our history as an island nation and our journey in these uncharted waters of globalization. Partnerships for Samoa is not just your ideological North-South dichotomy, it also encompasses SIDS-SIDS, South-South and triangular partnerships. Importantly, it includes partnerships between SIDS as a group and their development partners, as well as private sector partnerships and public/private partnerships. And remember, the private sector is the “engine of growth, and partnerships should not be a monopoly of anyone particular group of partners.”

– Ambassador Ali’ioaiga Feturi Elisaia
Samoa Permanent Representative
to the United Nations
world how the benefits of green growth can be secured. Strategic private sector partnerships, close work with development partners and public-private partnerships, including important industries such as fisheries, marine resources, renewable energy, transport, ICT, sustainable tourism, agriculture and disaster risk reduction, can set a standard for green growth in action. Best practices from the SIDS experiences can be shared and scaled up in the wider global community.

The Importance of Policy and Follow-up

In order for these private sector partnerships to reach their potential, the right policy framework will need to be put in place by both SIDS and the development partners. This will, firstly, act as a catalyst in forging new partnerships, and secondly, enable an environment that will allow these partnerships to maximise the benefits for SIDS.

Being small also has certain benefits. SIDS’ small size means that comparatively small expenditures can and do make a significant impact. The right investment, however small, has the potential to make meaningful impacts on the livelihood of many islanders. Strong private sectors in SIDS will lead to increased capacity for various areas such as renewable energy, job creation, competitive and increased exports, transfer of technology, strengthened small and medium enterprises, improving livelihoods and overall economic well-being.

It is crucial that the international community supports SIDS and their private sectors in facilitating cooperation that will, in turn, foster the necessary environment for building genuine and durable partnerships – no matter how large or small. The related issue of technology transfer and intellectual property rights are important, and due consideration should be given to the special case of SIDS. Private sector organizations from the South, through South-South cooperation, can also form meaningful partnerships with SIDS. Often the experiences, practices and technology employed in the developing world are better suited and more readily adaptable to SIDS.

In any follow-up phase, closer cooperation within and between SIDS regions should be encouraged. The development of a mechanism which utilizes currently existing SIDS regional private sector organizations, inter-governmental organizations and global political and business institutions in the follow-up of these partnerships, could be further explored.

*A version of this article first appeared in The Commonwealth Ministers Reference Book 2014.

Voyagers Chart the World’s Rising Seas

By Louise Stoddard

Far below the planes flying overhead en route to Samoa this August, two small vessels will cross the open waters of the Pacific to dock in Apia for the Third International Conference on Small Island Developing States. But for the crew of these particular boats Samoa is just one stop in a three year, 140,000 mile voyage around the world, using only traditional methods of navigation.

The Polynesian Voyaging Society, a group of cross generational crew members, educators, and navigators, have done what many thought were impossible – revived the lost and ancient art of voyaging.

*continued on page 6*
“We feel like we are travelling on the same routes as our ancestors,” says Haunani Kane, 27, from Hawaii, who joined the two canoes Hōkūleʻa and Hikianalia for 17 days of voyaging to Tahiti. “We say that being on a canoe is like sailing on a small island around the oceans, you have to work together as a team against challenges and trust one another.”

Ten years ago a school field trip introduced Haunani to the history of voyaging from her native Hawaii. “I have learnt so much about navigating the sea, reading the stars, the wind and the swell of the water” she says, adding that ‘there are some hardships like a lack of fresh fruit and vegetables and having only salt water showers, but I feel extremely lucky to be experiencing and enjoying something so unique.”

Haunani is one of the new generation of voyagers. Thousands of years ago her Polynesian ancestors journeyed beyond the shores of home to explore the vast Pacific Ocean discovering and settling distant islands. Carrying in open canoes all the provisions needed for the voyage and the prospect of a new life, these intrepid seafarers used the stars, the currents, and wave patterns to chart their course. Navigators created ocean highways that were then used for ongoing exchange and exploration. The settlement of many thousands of Pacific islands, some less than a mile in diameter, stands as one of their great achievements.

“Being out in the ocean is an extremely intimate experience, sometimes you stand before the water and have to make instant decisions about whether to race with a swell or slow down and let it pass,” says Haunani. “there is no room for doubts, you have to keep mentally strong.”

The skills learnt by Haunani and her crew had been lost completely in Hawaii before the 1970s when the Polynesian Voyaging Society looked beyond their shores to a remote island and traditional navigator Mau Piailug, who agreed to share his knowledge of navigation. Over six hundred years since the traditional double-hulled sailing canoes had been seen on the waters of the Pacific, a massive rebuild effort, spearheaded by artist Herb Kane, saw the maiden voyage of Hōkūleʻa canoe to Tahiti, where over half the island’s population came to greet the vessel as it arrived in port.

“Voyaging is an integral part of our culture. Now that we are facing shared challenges due to climate change, sea level rise, ocean acidification, and overfishing, we need to develop a shared story of hope, and turn our history of exchange into one of trading positive stories,” says Mawae Morton another crew member due to join the voyage in November 2014 for a 6 month stint on the waves of the Pacific.

Sailing into the Samoa Conference is an important part of the sail plan for the voyagers and marks the moment that they begin to introduce the oceans campaign and agenda that they will carry with them throughout the Worldwide Voyage. The Voyagers will arrive at the OHRLLS Private Partnerships

MĀLAMA HONUA - WORLDWIDE VOYAGE

SPONSORED BY HAWAIIAN AIRLINES

Polynesian Voyaging Society
10 Sand Island Parkway Honolulu, Hawaii 96819
info@pvshawaii.org

Information subject to change based on weather and safety conditions

2013 2014 2015 2016 2017
Hikianalia Only

Hokulea.com
“It is our view that we need to be guided by an understanding that Earth is an island in space, infinitely precious and more fragile and finite than we understood in past generations,” says Mawae Morton “Pacific voyaging leadership in general can hopefully impart to small island states that we may be small geographically but once united we can have a large contribution toward the health of our world’s oceans. What we decide in these supposedly small islands can have a tremendously large impact.’

As a travelling research resource the crew of the canoes have also partnered up with a number of research institutes and organizations including MIT, Stanford, and the University of Hawaii. They will be collecting and analyzing marine debris, conducting research on fish DNA, looking into marine acoustics, and other research that is relevant to large environmental questions.

For now Haunani is back in Hawaii, starting her PHD in sea-level rise. She’s hoping to return to the voyage in the coming months, but in the meantime charts their progress on www.hokulea.com – where an interactive sail plan and updates are provided with assistance from a supporting technical boat that sails with the canoes.

Throughout the next three years the voyage will leave the Pacific and cross the waters of the Atlantic and Indian Oceans before arriving back in Hawaii. For Haunani, three years of sailing might only be the start of her voyaging experience “Before it was just fun’ she says ‘but now I realise it’s something I want to do for the rest of my life’.

2014 has so far been exceptional for the Small Island Developing States (SIDS). The year kicked-off with the United Nations dedicating 2014 to small islands – the first time a group of countries has been afforded such recognition. To coincide with this sustained international focus on island nations, world leaders will gather in Samoa for the Third International Conference on SIDS, an event that will shine the spotlight on myriad challenges facing this group of countries.

Island nations have maintained that even as thousands of participants convene in Apia to see how best to partner for the improvement of livelihoods, it should be highlighted that the islands are rich sites of music and vibrant culture. In an effort to raise the visibility of the artistic expression which forms the fabric of island life, UN-OHRLLS has partnered with iTunes, the world’s largest online music store, to showcase the very best of island sounds.

Artists from the three different geographical regions of SIDS have been selected to feature in a brand new SIDS category on iTunes. The list of artists compiled by UN-OHRLLS in close collaboration with the Permanent Missions to the UN in New York, as well as by iTunes includes the most iconic artists, but also promising new performers with a special emphasis on youth. The SIDS music category will be featured on the front page of iTunes during the conference, but will also remain as a permanent category on iTunes afterwards.

This innovative partnership will be launched in Apia at the conference.

One of the main challenges facing SIDS is their remoteness and lack of connectivity. The partnership with iTunes will promote a wide variety of island cultures and amplify the of artists who would not ordinarily would not have such vast exposure. The partnership exemplifies the some of the potential of creative partnerships between the private sector and island nations.
In Samoa it can seem near-impossible for the 200,000-person population to carve out opportunities for economic mobility. Women in Business Development Inc. hopes to turn the tide in the small island nation by forging sustainable partnerships between multinational business and small-scale farmers. The non-governmental organization is bridging indigenous Samoan tradition and big-name global businesses, including The Body Shop, All Good Organics, and C1Espresso, to create a fair trade market in the developing island.

“We support village economies by adding value to their agricultural products and finding export and local markets, while also providing the necessary logistics to make that happen,” Adimaimalaga Tafunai, Executive Director of Women in Business Development, told The Commitment.

Tafunai and her team work with villagers in 183 Samoan rural communities to build certified organic enterprises, with which they export agricultural goods to countries as far away as the United Kingdom.

The organization helps the rural farming community earn the equivalent of $260,000 USD a year, and puts more than half a million Samoan Tala into the local economy annually—totaling one percent of Samoa’s gross domestic product.

Despite the organization’s name, Women in Business Development does not single out women for economic opportunities—instead, they aim to help entire families and communities develop access to international financial markets.

“We work to empower Samoan families, rather than just women,” Tafunai noted. “We believe that gender issues can only be addressed through educating families at the same time. One of the key elements of our livelihood projects is finding equally valued roles for each gender.”

As a result, rural Samoan families are developing a newfound independence. For many, it marks the first time that they can pay their...
bills and send their children to school without reliance on aid or remittances. In Samoa, a country that is highly vulnerable to unpredictable and devastating storms, such stability offers invaluable comfort.

Instead of going the microfinance route, Women in Business Development worked with the United Nations Development Programme (UNDP) to tailor the Nobel Peace Prize-winning Grameen Bank model to Samoa’s rural population. Small loans are allotted to villagers without a demand for collateral.

“We don’t just lend to families — we find the opportunities for them to use and add value to what they have and grow to earn a regular income, then we teach them financial literacy and encourage them to budget and save,” Tafunai highlighted.

UNDP has also sponsored a Women in Business Development programme that has trained more than 600 organically certified farmers to date. The project has led to a sustainable farm-to-table project in partnership with the Samoa National Youth Council and the Ministry for Women, Social, and Community Development.

By developing organic agriculture in the Small Island Developing States, Women in Business Development hopes to help counteract the ever-evolving effects of global warming.

“Organic agriculture can make a significant contribution to reversing climate change because the health of the soil is maintained through our organic farming practices,” Tafunai said. “Our family farmers have actually farmed organically for generations and they still cover crops, practice mulching, composting and crop rotation, which restores and improves on the natural ability of the soil to hold carbon. We are currently developing a structured carbon-offsetting programme so we can enhance what is already happening on the farms.”

Tafunai and her colleagues at Women in Business Development have reached out to 11 other nations in an effort to expand their business model across the Pacific islands. They are currently working on projects in Tonga, the Solomon Islands, Timor-Leste, and Haiti.

The Body Shop has expanded its unique Community Trade programme to include coconut growers from Samoa.
The Business of Climate Change Solutions

The Carbon War Room, founded by Sir Richard Branson, is an international non-governmental organization which aims to tap into the power of entrepreneurs to implement market-based solutions to climate change.

José María Figueres Olsen, President of Carbon War Room and former President of Costa Rica, told The Commitment more.

The Commitment President Figueres, why did Sir Richard Branson choose the name – the ‘Carbon War Room’ for this initiative?

José María Figueres Olsen As Sir Richard has often said, the world faces a common enemy in climate change more devastating than the impact of both World Wars. During WWII, Sir Winston Churchill set up a war room to bring together the best minds to win the war. Likewise, Sir Richard decided to set up the Carbon War Room (CWR) to bring together the best business minds in the world, to transform the challenge posed by climate change into the greatest opportunity humanity has ever had to mobilize capital and technology, support innovative entrepreneurial business models, and create new jobs that reduce carbon emissions in a profitable way.

Q Your mission is to accelerate the adoption of business solutions that reduce carbon emissions to advance a low carbon economy. How do you go about implementing this initiative?

A The War Room focuses on dismantling market barriers to capital and getting money moving to climate change solutions that are profitable today, using proven technologies within current policy frameworks. Whether it’s getting financing moving into building energy efficiency, creating valuable information for markets on vessel efficiencies in shipping, making great technologies accessible to increase mileage in trucking, or attracting capital to island economies to switch off fossil fuels and turn to renewable energies, our aim is the same: to create unstoppable momentum in the market for the demand of clean technologies and energy efficiency.

We identify and work in sectors where emissions can be reduced profitably, and where there are barriers preventing greater adoption of low-carbon solutions.

Within these sectors, we launch operations and collaborate with the sectors’ stakeholders to advance these solutions. Our current operations include Shipping Efficiency, Building Efficiency, Renewable Jet Fuels, Smart Island Economies, and Trucking Efficiency. We enjoy many partnerships with the private sector, from Delta and Virgin Atlantic to Vestas and Grundfos. Specifically, other partnerships include RightShip on the Shipping Efficiency Operation, the Rocky Mountain Institute across many operations, the North American Council on Freight Efficiency for Trucking Efficiency, and US Department of Energy, Homer Energy and DNV GL on our islands operations.

Q Does The Carbon War Room have a plan of action to turn islands to a low carbon economy by introducing renewable energy into their economy? And, as a follow-up, how will these countries sustain this transition financially?

A The Carbon War Room has an operation that works to define and realize a low-carbon future with reliable, affordable renewable energy for Caribbean islands. We work at both a regional and national level, providing bespoke project services. Caribbean islands are in a unique position to reduce their dependence on imported fossil fuels and benefit from the positive environmental, social, and economic impacts of using sustainable energy sources. They suffer from some of the highest electricity prices in the world — perpetuating poverty, contributing to their national debt, and preventing any form of sustainable development. The current reliance on fossil fuels for electricity is unsustainable.

Despite an abundance of sun and wind, there is relatively little implementation of renewables on Caribbean islands due to several barriers, such as local permitting and long-term fossil fuel contracts. As a consequence, Caribbean countries spend a large portion of their GDP on imported fuels thereby constraining socio economic development. This makes the transition to renewable energy even more financially attractive to islands than to many other economies, and all the more essential to their economic viability. They can combine their abundant renewable resources with economically viable technologies to become more independent and resilient.

Q What lessons have you learned from the partnership between the Government of Aruba and the Carbon War Room to transition the island to 100% renewable energy?

A Leadership is essential. Aruba has a visionary leader in Prime Minister Mike Eman who understands the opportunity in shifting to a low carbon economy, thus improving livelihoods of his people, becoming more competitive as an economy and more attractive as a tourist destination. Being able to articulate this vision and carry ‘hearts and minds’, is equally important.
Q Has your ‘Ten Island Challenge’ worked as a successful model in the Caribbean and Pacific islands towards low carbon implementation?

A We went to Rio+20 with the plan of announcing our partnership with Aruba. At our event to which we invited Christiana Figueres, the Executive Director of UNFCCC, she presented us with the challenge of thinking bigger and signing up ten islands to the challenge by December 2014. Currently, the island members are Aruba, the Bahamas, the British Virgin Islands, the Colombian islands of San Andrés and Providencia, Dominica, Grenada, Saint Kitts and Nevis, Saint Lucia, and Turks and Caicos. We hope to round up the ‘sign up’ phase with the final island in the remaining months of the year.

Last February we garnered further regional commitments focused on renewables and energy efficiency in country-level commitments to projects, ranging from a 10 MW solar development to implementing energy-efficiency measures on island hospitals and schools. We are lining up projects in Bahamas, St. Lucia and Grenada to open RFPs in the immediate future.

The War Room focuses on dismantling market barriers to capital and getting money moving to climate change solutions that are profitable today, using proven technologies within current policy frameworks.”

– José Maria Figueres Olsen
President of Carbon War Room
In May, the United Nations International Strategy for Disaster Reduction (UNISDR) launched the R!SE Initiative which promotes Disaster Risk-Sensitive Investments. Margareta Wahlström, Special Representative of the Secretary-General for Disaster Risk Reduction, will moderate a session on creating private sector networks at the SIDS Conference in Apia. Nosh Nalavala asks Ms. Wahlström more about creating private sector networks in SIDS.

**Nosh Nalavala** How significant is this new initiative to SIDS?

**Margareta Wahlström** The R!SE Initiative is about bringing disaster risk into the corporate boardroom and investment decision-making process. It is an alliance across disciplines and functions including academia, science, the public and private sectors, and is an interesting and potentially significant initiative for Small Island Developing States.

**NN** Could you elaborate on this?

**MW** The way investment decisions are made in the areas of tourism, fisheries, energy, transportation, and information and communications technology, among others, will play a decisive role for the resilience and sustainable development of SIDS. If already limited resources are invested without adequate understanding and consideration of disaster risk then they will simply lead to the accumulation of more risk and further economic losses in hazard-prone areas. To give an example, one of the key outcomes expected from the R!SE Initiative is an improved framework for economic forecasting that takes into account issues such as countries’ level of preparedness, capacity to recover, and exposure of GDP to disasters. Disaster risk has largely been absent from economic planning so far allowing many risk-generating investments to go unchecked, so such a tool could catalyze a change in the way everyone, including actors in SIDS, make big and small resource-allocation decisions.

**NN** You have seven partners in this initiative. Do you plan to expand the roster of private companies?

**MW** The R!SE alliance was founded by a group of 7 organisations, including UNISDR, PricewaterhouseCoopers, Willis, AECOM, the Economist Intelligence Unit, Florida International University and the Principles for Responsible Investment. It is an alliance that is expanding and growing as we speak: at the launch event in New York, we were able to announce that AXA, Citibank, Nippon Telegraph and Telephone Corporation, Risk Management Solutions and Walmart have already joined. PrepComm meeting in June.

**NN** And what are the activities of this initiative?

**MW** We have eight activity streams which are strategies for global business; risk metrics for economic forecasting; industry sector certification; executive education and professional training; principles for responsible investing; resilience of cities; insurance; and the resilience of UN programming. Each of these activity streams is spearheaded by an industry leader and fuelled by the collective expertise from an increasing number of partners. The R!SE initiative is on track to grow rapidly given the increased awareness in both the public and private sectors of the
need to build disaster resilience and to curb rising economic losses.

**NN** Is your mission to mainstream disaster risk management into corporate planning and investment decision-making?

**MW** There are two important facts to bear in mind. First, private investment is the single most important determinant of disaster risk because 70-85% of overall investment is made by the private sector including annual institutional investments worth more than $80 trillion globally.

Second, disaster losses do not just occur naturally but depend on the way past investment decisions have been made and the range of factors that influenced those decisions. We have learned this through the last few decades, so moving forward, it is important to ensure that resources are not invested in ways that create new and unmanageable risk of losses should a hazard strike.

We are essentially working to change the way business is done, and what we have learned so far is that embedding disaster risk management in business processes is key not just to resilience but also to competitiveness. In fact, the private sector in SIDS – for instance, the tourism industry, has the opportunity to really take leadership and show by example how resilient investments can lead to sustainable economic growth.

**NN** UNISDR is working for a safer world in the 21st century. What is your vision of making the risk and disaster prone vulnerable countries “safer”?

**MW** Our vision is of a world where disaster losses are minimized. While it is true that we cannot eliminate the risk of disaster losses altogether, we know equally well that a significant percentage of disaster losses are preventable. We want to realize this vision by integrating and embedding risk management across all kinds of decision making in societies to ensure, that the next generation of new disaster risks are reduced to the minimum; existing disaster risk is known, reduced or managed; and, resilience of individuals, communities and economies is proactively strengthened.

We also see this as a critical contribution to realize the vision of the post-2015 development agenda. Unless risk and resilience sensitive development planning is at the core of the development vision, it will continue to be undermined and thrown off course by shocks and by disasters that will cause economic and social set backs to communities and countries. So far, strong support has been seen for risk-sensitive development goals in the proceedings of the Open Working Group on Sustainable Development Goals. In fact, many SIDS are taking the lead in highlighting the need for integrating risk management across all sectoral goals.

**NN** I understand that you are partnering with SIDS to join adaptation with disaster risk reduction. What steps are you taking towards that goal?

**MW** The Hyogo Framework for Action is still valid in many ways and its work needs to continue to achieve its expected outcome. However, the new framework will need to address the underlying factors which drive risk and to avoid the creation of new risks as we build more to cope with population growth and rapid urbanization. There needs to be more emphasis on integrating disaster risk into public policies, ensuring coherence across institutional boundaries, sectoral policies and financial instruments. I also hope that the monitoring, reporting and review mechanisms will be much enhanced in the new framework.

"The way investment decisions are made in the areas of tourism, fisheries, energy, transportation, and information and communications technology, among others, will play a decisive role for the resilience and sustainable development of SIDS."

- Margareta Wahlström
  *Special Representative of the Secretary-General for Disaster Risk Reduction*
INTERVIEW

Uniting to Solve Island Challenges

Ronald Jumeau, Seychelles Ambassador for Climate Change and Small Island Developing State Issues, talks to The Commitment about the importance of partnerships for development and climate change adaptation.

The Commitment Ambassador Jumeau, What outcome do you expect from a UN conference focused on Small Island Developing States? (SIDS)?

Ronald Jumeau Now is the time for SIDS. The conference in Samoa follows on from the first conference in Barbados in 1994 and the second in Mauritius in 2005, but what makes Samoa stand out even before it is held is that it is taking place not only during the International Year of SIDS, but also the same month as the United Nations Secretary-General’s Climate Summit in New York, and on the eve of the 2015 climate agreement in Paris, and the launching of the Post-2015 Development Agenda and the Sustainable Development Goals.

Q What are your expectations of the meeting?

A Rather than expectations, what we would hope to hear from Government leaders of SIDS is a commitment to establishing and reinforcing sustainable partnerships that truly deliver in the lead up to, and in, the post-2015 era. There are two post-2015 processes ahead of us: the Post-2015 Development Agenda with the Sustainable Development Goals at the centre, and the implementation of the new climate agreement that the international community is expected to reach in Paris 2015.

Q Do you see the Samoa Conference as a lead up to the Paris Conference?

A Yes, in Samoa you will hear the SIDS positioning themselves on the road to the Paris agreement and the launch of the post-2015 sustainable development process. The negotiations at the United Nations in New York on the outcome document for the SIDS conference gave a clear indication of other priorities we would like our development partners to address in Samoa.

Q A two-day Private Sector Partnerships Forum is being held at the Conference. In your experience as a long-serving diplomat, have you seen the private sector playing a lead role in the economic, technological and environmental growth of small islands?

A The role of the private sector in small islands has and continues to grow rapidly, particularly in recent history. Traditional North-South aid and cooperation no longer suffice to meet the sustainable development needs of developing countries, hence the partnerships theme of the SIDS conference in Samoa. The message is that the private sector, not-for-profit or non-governmental organizations and civil society have to play an even greater role in national economies and regional initiatives if the post-2015 sustainable development process is to succeed.

Q And where does Seychelles fit into the process?

A For Seychelles, foreign direct investment (FDI) is the key driver of the tourism sector, which is our biggest provider of jobs and the biggest contributor to the country’s GDP. We are keen to develop this all-inclusive development paradigm further, utilizing and strengthening public-private-civil society partnerships, to address some of our key sustainability challenges. Take for example our nationwide scheme to enable and encourage the whole population to produce energy from renewable sources and sell the surplus to the national grid. The government, which in the past was the sole producer of electricity, is also facilitating an enabling environment for small and medium private enterprises to rent the roofs of homeowners to produce renewable energy and sell it to the grid.

Q Tourism in your country is a success story. What attracts tourists to the Seychelles?

A Seychelles is internationally renowned both as an upmarket tourism destination and a world leader in the conservation and sustainable use of biodiversity. This is not a coincidence; the two go together, complement each other. Tourists are attracted to Seychelles by its unmatched natural environment, and in turn we take care of our environment to keep the tourists coming. So the more discerning tourists we get, the more we feel the need to conserve and sustainably manage the environment and biodiversity that attracted them in the first place.

Q How can governments, private sector and local communities coming together to reduce disaster risk?

A Disaster Risk Reduction is a growing global issue, and islands are at their strongest when they stand tall together. Islands face unique challenges and are best placed to unite in helping other islands find island solutions to island challenges. No island is alone, no matter how isolated it is or may feel. There are thousands upon thousands of us around the

Ronald Jumeau, Seychelles Ambassador for Climate Change and Small Island Developing State Issues
globe. An example of how partnerships between governments, the private sector and local communities can come together to strengthen both human resilience and the nature that surrounds us, is the Global Island Partnership (GLISPA). GLISPA is a voluntary gathering of islands, irrespective of their political status, countries with islands, and friends of islands in the United Nations and global non-governmental and not-for-profit communities. Countries with islands which help fund GLISPA are Italy and the United States. Our mission is, among others, to promote action for island conservation and sustainable livelihoods, including through ecosystem-based adaptation to climate change, thus strengthening resilience to climate impacts, disasters and external shocks.

**Q** Many SIDS now recognize the need to move towards low-carbon, climate resilient economies. Do you feel that instead of relying on fossil fuel imports, renewable technologies will make SIDS more sustainable?

**A** Absolutely. In fact, it is an untold story that the SIDS have emerged as world leaders in renewable energy and energy efficiency through their SIDS DOCK (sidsdock.org) initiative. The key to this transition is resilience and innovation. Out of small islands come big ideas, I always say, and it is from this creativity to develop sustainable, low-carbon energy and economies that a shift away from fossil fuel imports is already taking place. Indeed, SIDS are often an innovator in this field.

**Q** Is Seychelles leading in adaptation strategies?

**A** For Seychelles, with 3,000 times as much sea territory as land area, ocean energy would have be our first and most obvious choice if was not the least developed source of renewable energy for the time being. Last year we launched our first wind farm, however putting it out at sea would have resulted in us having fewer turbines for the same amount of investment. So we set it up on an uninhabited artificial island that we had reclaimed from the sea for other development purposes as we ran out of flat coastal land to build on. The turbines are around the edges of the island and our next step is to fill the interior with solar PV panels, thus creating one of the first, if not the first, island entirely dedicated to producing energy from renewable sources. It will be very symbolic if the SIDS’ accelerate transition to renewable energy and low-carbon economies.

**Q** What are your thoughts on blending adaptation techniques with disaster risk reduction (DRR) for both Pacific and Caribbean island nations?

**A** Combining adaption techniques and DRR is essential, as Seychelles has learned from personal experience when in January last year a huge storm linked to a cyclone in the region slammed into our main island of Mahe. It hit only a relatively small part of the island, but the severity of the damage it caused forced Seychelles to call for international help to meet the costs of recovery and rehabilitation.

We had a rude awakening to the fact that a few hours of strong winds and torrential rain could have reversed five years of a painful comeback from economic crisis. Unless the small island countries and territories get the assistance our fragility requires from post-2015 and become better equipped internally to deal with economic and environmental shocks, our unique vulnerability to climate change will only get worse in the years ahead.
Supporting Low-income Homes in the Pacific

In some Pacific nations, it is estimated that less than 10 percent of the population has access to basic financial services, rendering the region that spans a third of the Earth's surface one of the least bankable in the world.

Pervasive poverty, unstable infrastructure, devastating storms, challenging geography, and a subsistence lifestyle have always served as obstacles to establishing reliable financial systems in the Pacific – which is why the Pacific Financial Inclusion Programme (PFIP), a sustainable financial services initiative, is circumventing the traditional microcredit programmes and microfinance institutions that have failed the region in the past.

Instead, the PFIP is bringing a new focus to financial inclusion and education for Pacific Islanders by providing quality, affordable banking services across the region. By 2020, they hope to have doubled the number of Pacific Islanders who currently have access to basic financial services.

“The PFIP encourages the private sector to invest in products, services and delivery channels that target unbanked, rural and low-income people who have no access to banks,” PFIP Manager Reuben Summerlin told The Commitment.

“The programme identifies key constraints to the financial system and actively seeks out partners best positioned to offer solutions. We then fund research to inform interested partners on opportunities in the market in order to catalyze investments, product design and financial inclusion activities. We also offer grants or technical assistance packages designed to assist and encourage the innovation necessary to introduce new ways of serving hard-to-reach populations.”

PFIP prides itself on its holistic approach to banking: the initiative works with the public, civil society organizations, nongovernmental organizations, and the private sector. Summerlin and his colleagues aim to foster a fully inclusive financial service programme, a sizable undertaking in such an expansive and fragmented region. Fortunately, the PFIP has gleaned support from major institutions, including the Australian...
government and the European Union.

“The Australian Government has contributed $15 million AUD to a four-year partnership with PFIP beginning in July 2014 and ending in 2018,” Summerlin told The Commitment. “This will support regional projects, as well as specific projects in Fiji, Papua New Guinea and Solomon Islands. The EU has funded PFIP regionally and has committed €6 million to fund programs in Papua New Guinea. Additionally, representatives from Australia’s Department of Foreign Affairs and Trade and the EU are active members on PFIP’s investment committee.”

In addition to providing low-income communities with financial education and banking services, PFIP is cultivating innovative approaches to sustainable banking specific to Pacific Islanders – for example, branchless banking, “a distribution channel strategy that allows for delivering financial services without requiring people to visit a bank branch,” according to Summerlin.

Branchless banking is particularly appealing to Pacific communities, where unreliable technology, weather, and infrastructure can prevent islanders in remote communities from being able to physically visit a bank.

“New technologies developed in recent years have provided an opportunity to change course in the Pacific,” Summerlin told The Commitment. “The use of mobile phones, point of sale devices, smart cards and other technologies for the ease of payments, as well as third party agents, makes the delivery of financial services more cost-effective and can begin to reach previously underserved and unbanked populations in the Pacific at a lower cost, closer to where they live and work.

Although the PFIP primarily works with government and private sector partners, the United Nations Development Programme and the United Nations Capital Development Fund are contributing to the implementation of the initiative in Fiji, Papua New Guinea and Solomon Islands.

The regional programme also covers Samoa, Tonga and Vanuatu, and has tentative plans to expand to Kiribati and Tuvalu in the next three years.

“People, households and businesses need financial services on a permanent basis. For this to happen, the services must be sustainable,” Summerlin told The Commitment. “When the private sector has the opportunity to earn a reasonable profit by providing services, it generally will do so efficiently. But often, when dealing with low-income and rural populations, these opportunities must be de-risked in the initial stages — which is where organizations like PFIP can contribute.”

“The PFIP encourages the private sector to invest in products, services and delivery channels that target unbanked, rural and low-income people who have no access to banks.”

– Reuben Summerlin  
Pacific Financial Inclusion Programme (PFIP) Manager
The Commitment spoke to Fia’aileto Pepe Christian Fruean, Chief Executive Officer, Digicel Samoa.

After 13 years of operation, Digicel Group Limited has over 13 million customers across its 32 markets in the Caribbean, Central America and Asia-Pacific. In addition to providing communications services to Small Island Developing States, Digicel has also taken the step of assisting island communities and partnering with national initiatives.

**The Commitment**  In the past 6 months you renewed partnerships with government ministries, local businesses and NGOs to strengthen communities in Samoa. How will these partnerships assist with development in Samoan communities?

**Fia’aileto Pepe Christian Fruean**  As a fundamental core value, Digicel believes in giving back to the communities in which we operate. Our focus in Samoa is on initiatives to assist in the development of health; youth; culture; education and community services. We select partners that have programmes with an educational focus as we feel that knowledge is the key to implementing positive change in communities.

Digicel Samoa’s current partnerships and initiatives include The National Youth Awards, an initiative by the Ministry of Women and Ministry of Community and Social Development encouraging, mentoring and recognizing entrepreneurial Samoan youth. We also supported the Ray of Hope Concert fundraiser for the Samoa Victim Support Group (SVSG) Maternity Shelter, that provides care and shelter for women and girls that have been subjected to all forms of violence.

Digicel Samoa was pivotal in the development and success of Special Olympics Samoa (SOS). Beginning with only 14 athletes in 2007, SOS now boasts over 400 athletes today with a formally established Secretariat office that organizes a bi-annual Torch Run and National Games with a fully structured training and sports program for the year. Digicel helped enable a delegation to participate in the 2011 Special Olympics in Athens, Greece for the first time in history.

Q  While the focus of Digicel community involvement is on...
development of sector projects like health, education and youth programmes in the Pacific, has Digicel turned its attention to social issues?

A We assist in areas where we feel we can drive awareness and affect change. We work to select projects aligned with the Government of Samoa’s Development Strategy to support the vulnerable and under-served sectors and help them to achieve their goals. Part of this is our involvement with Special Olympics Samoa in the Pacific and in other Digicel markets. Through our involvement in Special Olympics initiatives we aim to help bring about social equality and to increase public awareness and knowledge.

Q You have now entered the Pacific market with Digicel Samoa. Do you see yourself getting involved with disaster risk reduction in the islands as they face the impact of climate change?

A Samoa was the first Pacific Island to launch as a Digicel market in 2006 and we now have five other markets in the Pacific region. In this time, we as a business have established many initiatives that assist in disaster risk preparedness, warning systems and post disaster rehabilitation programmes.

With competencies in the area of technology and communications, we leverage these to help the right authorities and agencies to develop the necessary systems for alerting, informing and coordinating during times of disaster. Digicel initiated Samoa’s first tsunami warning system and set up the Emergency Radio Network with Samoa Red Cross, Disaster Management Office, the Ministry of Police and Prisons, and Fire and Emergency Services Authority, this system assisted with notifications in the 2009 tsunami.

Digicel also has a robust action plan for network continuity after a natural disaster. This will ensure priority communication channels needed by search and rescue and other emergency services are reliable and accessible.

Q What do you hope to achieve with your participation in the private sector forum on connectivity at the Conference?

A As a major direct foreign investor in SIDS, Digicel has demonstrated its commitment to the development of economies and there are economic indicators that attest to this. In the Private Sector Forum we hope to share our experience; highlight the technological solutions for disaster preparedness and also showcase the positive economic and social impacts that accessible, affordable high quality internet connectivity provides to small island developing states.

INTERVIEW

Pacific Islands Continue to Attract Tourism in the Face of Challenges

Interview with Ilisoni Vuidreketi, Chief Executive Officer, South Pacific Tourism Organisation talks to The Commitment on the potential of tourist arrivals in the Pacific.

The Commitment As a tourist organization, how do you partner with the private sector to increase tourist arrivals to the islands?

Ilisoni Vuidreketi The South Pacific Tourism Organisation (SPTO) has a membership of 16 Pacific Island governments and around 200 private sector members. The private sector is crucial to SPTO’s efforts in attracting tourists to the region and as such we have established partnerships with national and regional airlines, hotels and resorts, inbound and ground tour operators, and National Tourism Offices in a concerted effort to promote
the region and increase tourist arrivals.

Q Are the islands also a draw for meetings and conventions?
A The islands continue to attract regional meetings, forums and conventions in spite of unpredictable climate conditions. One such example is the Third International Conference on Small Islands Developing States in Apia, Samoa. Countries like Fiji, Papua New Guinea, Samoa, Solomon Islands, Tahiti, Tonga, and Vanuatu are Pacific Island destinations that continue to host regional and international conventions, given their beautiful natural environment, available accommodation options and modern conference facilities.

Q What is being done to help business on small islands benefit from the tourist industry?
A In May this year we held the inaugural South Pacific Tourism Exchange (SPTE), the region’s largest travel and tourism business-to-business event in Auckland, New Zealand. SPTE saw the participation of regional tourism operators and partners and international tour operators and wholesalers, through a combination of pre-scheduled appointments and networking opportunities. Participation at SPTE also included hotels/resorts, transport and ground tour operators, airlines, and inbound tour operators. The event was a unique marketing opportunity for smaller members that may not have the budget to attend regional and international travel trade shows.

Q How do you view the future of tourism to the Pacific, given the terrible impact of climate change faced by many of the islands?
A There are challenges to the future of tourism, however, these are opportunities for the region to capitalize on the programmes we have and develop strategies together with other stakeholders to minimize its impact in the future. As such, there are measures in place across the region and governments of the island states are advised on developing strategies to prepare the key sectors of the economy for the anticipated climate-related events. As climate change impacts almost all sectors, such as farming, tourism, fisheries, water and health, existing development plans and policy guidelines are being reviewed for climate appropriateness and adjusted accordingly.

Q In view of the tsunamis, floods and natural catastrophes that have hit the islands of the Pacific, have you seen a decline in tourism? If so, what adaptive measures have to be taken to sustain the flow of tourists?
A Over the period 2009 to 2013, tourist arrivals to the Pacific Islands recorded an average annual growth of 2.2%. This performance reveals that an additional 200,000 tourists visited the region in 2013 compared to 2009. We have since enjoyed growing visitor numbers, the opening of new hotels and hotel facilities, and expansion of port facilities and airport infrastructure, to name a few developments. It is worth noting that these positive developments were achieved amidst our share of natural disasters and economic challenges in our major source markets conference facilities.

Q Do you feel that the efforts of industrialised countries in reducing their carbon footprint through a carbon tax will make any tangible difference to the lives of the people in the Pacific?
A Yes, Pacific Island countries have amongst the smallest carbon footprints in the world, yet they are likely to suffer the most severe consequences of climate change if the world community does not manage global warming. Rising sea levels caused by global warming threaten the very existence of some of the islands, namely Kiribati, Tuvalu and the Marshall Islands. The collective will of the global community is crucial, if developing countries are to adequately address this crisis.

Q Could you address the issue of carbon tax?
A Reducing carbon footprint through a carbon tax will make a difference, given its potential impact on human development. Changing rainfall and seasonal patterns will have a direct impact on those who rely on agriculture and fisheries for their livelihood and nutritional intake. Higher temperatures may cause more natural disasters like cyclones, drought and could increase the areas where malaria will become a problem. The tourism industry will also be negatively affected, and will impact on the loss of employment and livelihoods for the Pacific people.

Q What do you see as the outcome of the SIDS Conference in Apia?
A The pre-conference events, which include private sector forums, multi-stakeholder partnership dialogues and side events, are expected to provide the opportunity for successful innovative partnerships and initiatives that can be built upon and replicated in other SIDS to address development challenges. For sustainable tourism, I anticipate the launching of valuable partnerships, particularly with the private sector, to address the needs of Pacific-SIDS and challenges that they face in particular, the engagement of all stakeholders in sustainable tourism development.