PACIFIC OCEAN

Regional Strategy
2019-2023

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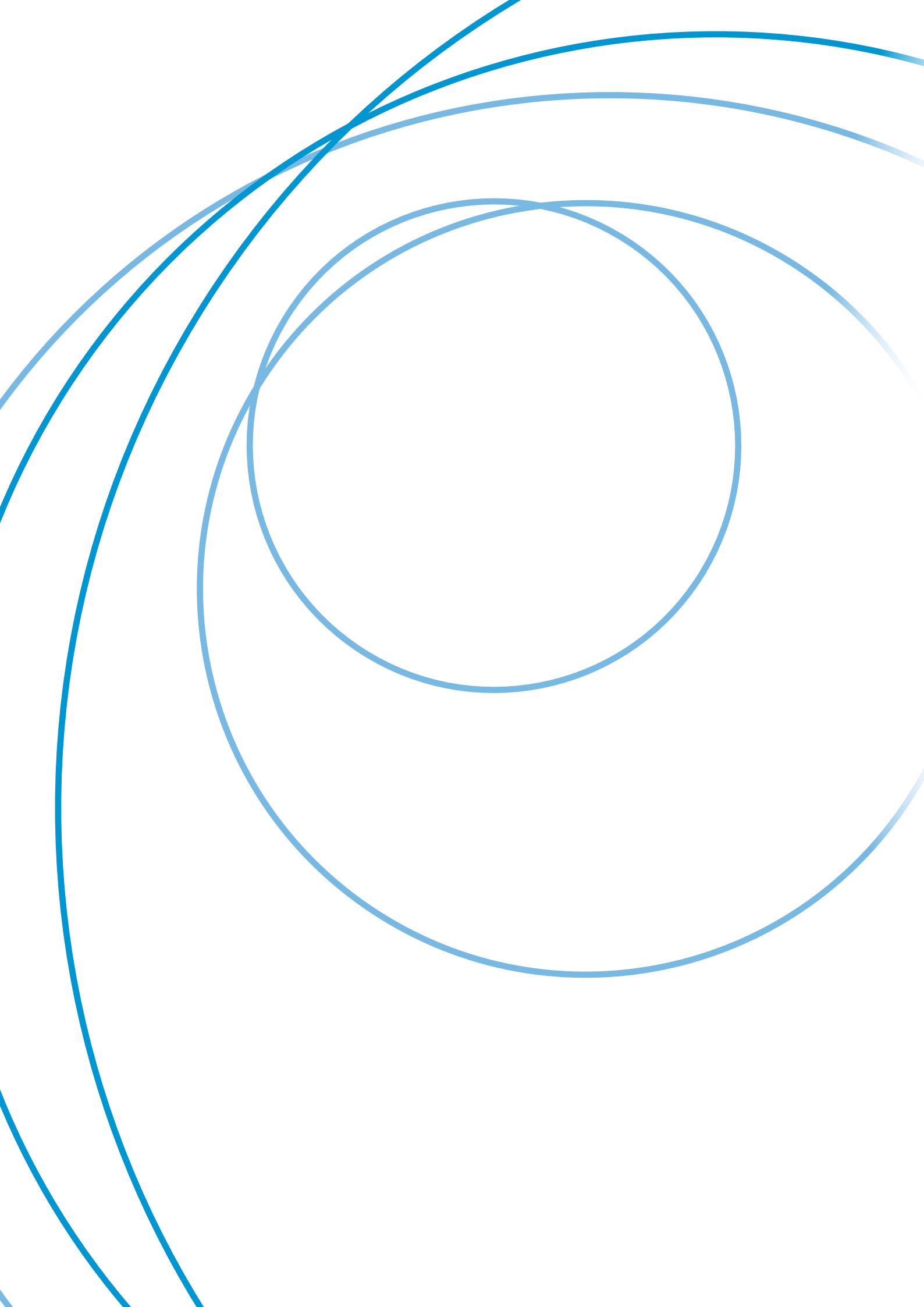


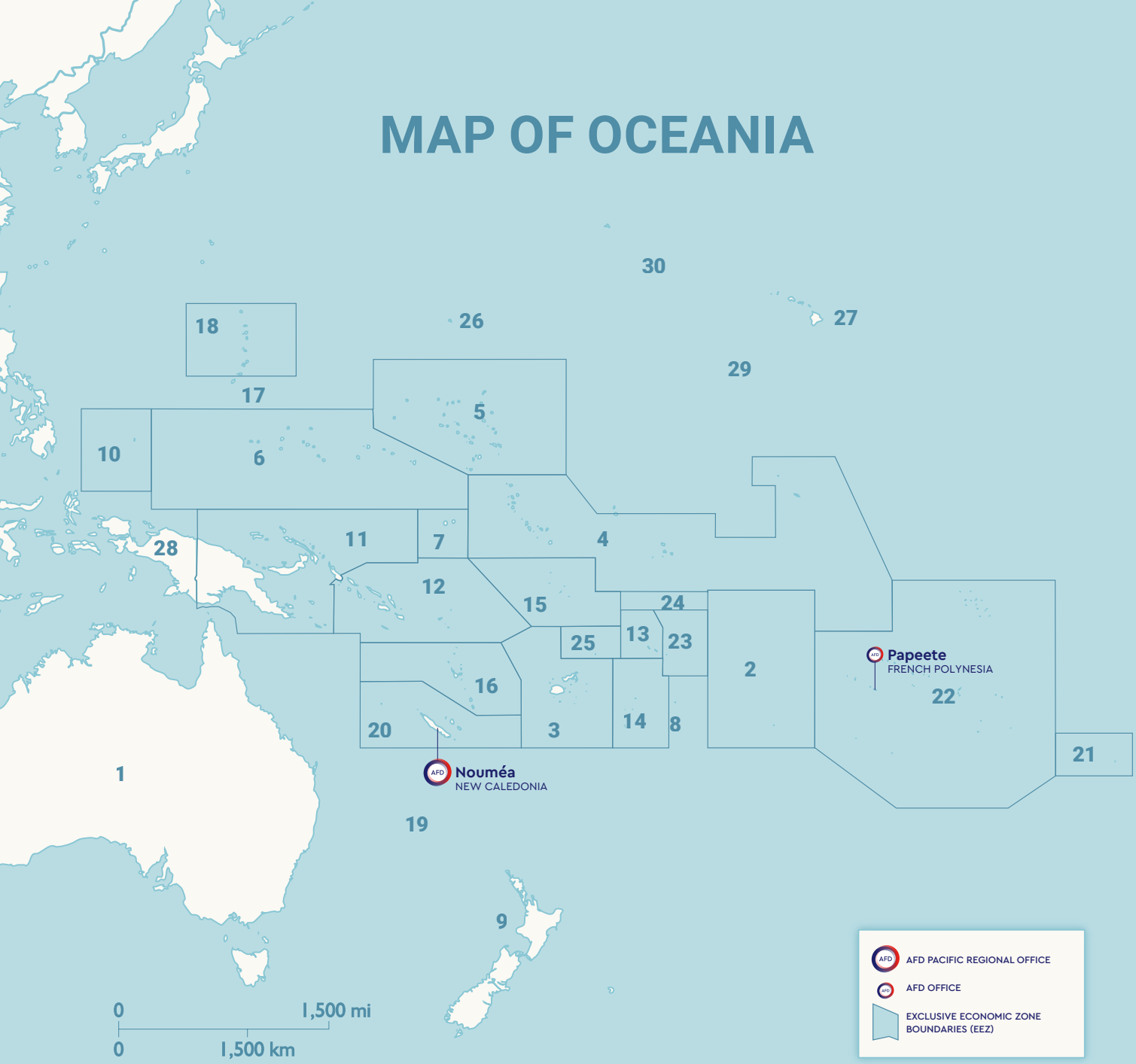
Preface

At the **Interministerial Committee for International Cooperation and Development (CICID) on February 8, 2018,** the government made a commitment to strengthen the integration of overseas territories into their regional ocean basins by supporting cooperation projects with neighboring states. **Measure No. 14 from the agreed conclusions also requires the Agence Française de Développement (AFD) to outline a strategy for each ocean basin and reorganize its network.**

In 2018, AFD Group conducted a fundamental reform of its strategic documents by approving the new **AFD Group 2018-2022 Strategy** categorizing the Sustainable Development Goals (SDGs) into six major transitions and five commitments. As part of this, the Three Oceans Department, which brings together overseas territories and neighboring foreign states in the Indian, Pacific, and Atlantic Oceans, adopted its new **2019-2022 Three Oceans Strategy.** The three regional strategies for the Indian, Atlantic, and Pacific basins are part of this updated framework.

The Pacific Regional Office (PRO) has been based in Nouméa since September 2018. The Group's regional strategy defines **common challenges facing all countries and territories** in the basin. It **guides the strategies, which are the documents most adapted to the local context, for New Caledonia, French Polynesia, and Wallis and Futuna.** Through its network, the PRO designs cooperation projects with the goal of **sharing resources, limiting the spread of negative externalities** from one territory to the next, and **sharing expertise on subjects of common interest.**

MAP OF OCEANIA



(1) Australia
(2) Cook Islands
(3) Fiji
(4) Kiribati
(5) Marshall Islands
(6) Federated States of Micronesia
(7) Nauru
(8) Niue (NZ)
(9) New Zealand
(10) Palau
(11) Papua New Guinea
(12) Solomon Islands
(13) Samoa
(14) Tonga
(15) Tuvalu
(16) Vanuatu
(17) Guam (US)
(18) Northern Mariannas Islands (US)
(19) Norfolk Island (AUS)
(20) New Caledonia (FR)
(21) Pitcairn Islands (UK)
(22) French Polynesia (FR)
(23) American Samoa (US)
(24) Tokelau (NZ)
(25) Wallis and Futuna (FR)
(26) Wake (US)
(27) Hawaii (US)
(28) Indonesia: Western Papua, Papua (ID)
(29) Johnston Atoll (US)
(30) Midway Islands (US)

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1.

CONTEXT, CHALLENGES, AND OVERVIEW OF THE PACIFIC REGIONAL OFFICE

1.1. CONTEXT

From Palau and Timor Leste to the easternmost islands of French Polynesia, bordered on the north by the Marshall Islands and in the south by New Zealand, the geographic scope of AFD in the Pacific covers **eighteen countries and territories, including fifteen independent island countries and three French territories[1] (New Caledonia, Wallis and Futuna, and French Polynesia).**

With three subregions that have a population of approximately 10 million people **(Melanesia, Polynesia, and Micronesia), the Pacific islands are extremely diverse** in terms of their area, population, and economic resources.[2] Papua New Guinea, with its 8 million inhabitants accounting for 80% of the population in the region, 600 islands and a land surface area of 463,000 km^2, is the largest island country in the region, with a GDP of 18 billion euros in 2017.[3] In comparison, Tuvalu's land surface area is only 26 km^2 divided among 12 atolls. Its population is 12,000 people, and its GDP is 35 million euros.[4] There is also great cultural diversity, with thirteen official languages and over a thousand vernacular languages.

In this region, **570,000 French citizens reside in New Caledonia, Wallis and Futuna, and French Polynesia.** The three French overseas territories have a **6.8 million km^2 exclusive economic zone (EEZ)**, equivalent to 60% of France's global EEZ. Thanks to a higher standard of living compared with neighboring countries, their status of European overseas countries and territories (OCTs), the large degree of political independence of French Polynesia and New Caledonia, and trans-Pacific relations with island countries in the region, French territories play a key role in implementing regional solutions.

The position of France and its territories as full members of the Pacific Community (SPC), headquartered in Nouméa, and the **Secretariat of the Pacific Regional Environment Programme (SPREP)**, headquartered in Samoa are also assets that help enhance French influence in the region. France and its territories participate, as members of differing status, in meetings of the Pacific Islands Forum (PIF), the main political organization of the Pacific islands. The next summit will take place in Vanuatu in 2020. Vanuatu is the only Pacific island country which has enshrined French as an official language in its constitution, a key factor for promoting the French language in the rest of the region. **This country will play an important role in the Group's regional activities.**

Against the backdrop of **growing Chinese presence** in the region and the struggle for influence involving the great Pacific powers, i.e. Australia, South Korea, USA and Japan, France's voice and position in terms of military power and diplomacy, as well as diplomacy on climate, the environment, and development cooperation, may allow it to **play a major role in the Indo-Pacific region by helping establish a regional balance.**

1.2 CHALLENGES

Countries and territories in the region, although geographically diverse, share common cross-border challenges, which means that **development should be viewed through a regional lens to facilitate dialogue between the territories** and help improve living conditions for local populations.

In terms of climate and environment, the Pacific island countries account for only 0.03% of global greenhouse gas emissions (GHG), yet they will be **the first to face the consequences of climate disruption** (rising sea levels, changing coastlines, groundwater salinity, changing mean temperatures, etc.). **Natural disasters,** such as tropical cyclones,[5] earthquakes, tsunamis,[6] droughts, and floods **are growing more severe,** threatening the populations and economies of these countries and territories. The average economic impact of a natural disaster in the region is 14% of GDP,[7] but with great variation: an extreme climate event in Papua New Guinea leads to an average loss of 0.3% of GDP, versus 48% for Samoa and 43% for Vanuatu.[8] Sometimes the damage is much more significant: Cyclone Pam in 2015, considered the most destructive natural disaster in Vanuatu's history, led to a loss of approximately 64% of GDP.[9]

[1] Only territories within the OCN department for which AFD has a mandate to act or to conduct prospecting work are named: Papua New Guinea, Solomon Islands, Vanuatu, Fiji, New Caledonia, Palau, Federated States of Micronesia, Marshall Islands, Nauru, Kiribati, Tuvalu, Wallis and Futuna, Tonga, Samoa, Niue, Cook Islands, French Polynesia, and Timor Leste. AFD's mandate in the region is defined by the Co-secretariat of the CICID.
[2] See Appendix 2- General characteristics of the territories: populations, economies, inequalities.
[3] World Bank. (2019). Data for Papua New Guinea. Retrieved from https://data.worldbank.org/country/papua-new-guinea
[4] World Bank. (2019). Data on Tuvalu. Retrieved from https://data.worldbank.org/country/tuvalu
[5] Cyclone Pam 2015, Winston in 2016, Gita in 2017, Hola in 2018, and Oma in 2019.
[6] The 2009 tsunami in Samoa.
[7] The maximum damage from such climate events could account for as much as 160% of GDP in the region.
[8] International Monetary Fund. (2018). The economic impacts of natural disasters in Pacific Island Countries: Adaptation and preparedness. IMF.
[9] According to a report by Global Facility for Disaster Reduction and Recovery (GFDRR) https://www.gfdrr.org/sites/default/files/publication/ACPEUNDRR_Recits%20d%20Impact%20Vanuatu.pdf

Moreover, Vanuatu is the country with the highest risk of natural disasters in the world, according to the World Risk Report 2018.[10]

The Pacific Island Countries (PICs) are at the forefront of the battle against climate change. They helped make COP 21 a success and remain very active, as demonstrated by the adoption of two ambitious declarations in Tuvalu in August 2019.

The issue of mitigating and adapting to the effects of climate change in the Pacific takes on a different meaning in light of the challenges of protecting the exceptional biodiversity in the countries and territories of the region. **Five of the thirty-six "global biodiversity hotspots"[11] are in the Pacific[12], and New Caledonia is one of them.** The countries and territories in the region stand out in terms of the uniquely high number of endemic plant species: 50% in French Polynesia,[13] 60% in Papua New Guinea[14] and Fiji,[15] and over 75% in New Caledonia.[16] Moreover, French territories in the Pacific account for 90% of French coral reefs, with New Caledonia being home to the largest continuous coral reef in the world, listed as a UNESCO world heritage site.

The issues of waste management, as well as sanitation, water resource management, and access to drinking water are problematic in the region. **In 2013, almost 60% of the population of Papua New Guinea lacked access to drinking water,** compared with 0.4% in Tonga and 4.3% in Fiji.[17] **In 2019, 38% of the population of French Polynesia[18]** still lacked access to drinking water.

These territories face a variety of **economic challenges due to their insularity.[19] Dependence on oil for energy needs has a big impact on regional economies: oil imports account for as much as 14% of the GDP of Fiji and 21% of the GDP of Tuvalu.** The fact that the territories belong to different free-trade zones (PACER+, MSG FTA, PICTA) and have **poor sea, air, and digital connectivity** partly explains the **low levels of intra-regional trade flows,** as the region is polarized by Australia and New Zealand, the top suppliers for countries and territories in the region. Moreover, fishing licenses granted by some island countries to foreign powers.

Levels of social development are uneven throughout the region. GDP per capita in Papua New Guinea was USD 1,872 in 2018, compared with USD 12,831 in Palau, USD 11,500 in Wallis and Futuna, USD 19,500 in French Polynesia, and USD 33,660 in New Caledonia. **Population pressure remains a medium-term challenge, especially in Melanesian countries, which have already begun their demographic transition and where almost half of the population is under the age of 25.** By 2050, the population of Papua New Guinea, which already comprises 80% of the region's population, will nearly double to 14 million people. The population of the Solomon Islands and Fiji will reach one million residents each. At the same time, other island countries and territories are experiencing mass youth emigration and population aging. **Wallis and Futuna lost 13% of its total population** in 10 years (2008-2018).[20]

Unfortunately, gender issues and violence against women are rarely addressed. The WHO estimates that 35% of women in the world have been exposed to physical and/or sexual violence throughout their lifetime. In the region, **79% of the women in Tonga, 73% in Kiribati, 72% in Fiji and Vanuatu, and 65% in the Solomon Islands have been affected. In 2016, 1,200 women in French Polynesia were victims of physical violence, accounting for 70% of cases of physical violence on the archipelago.**

Finally, health issues are also of particular importance in the Pacific. **Non-transmissible diseases, especially diabetes and cardiovascular disease, are the number one cause of death in the region,** where 50-90% of the population is believed to be overweight.[21] The spread of infectious diseases such as dengue, Zika, Chikungunya, and malaria poses a real sanitary risk, which is exacerbated by the impact of climate change. Over 4,000 cases of dengue were declared in New Caledonia between 2016 and 2017, and 30,000 were detected in Fiji, Kiribati, and Vanuatu during the same period.

In terms of security issues, immediate threats **include illegal fishing, which leads to USD 620 million in losses for the region.[22]** The Forum Fisheries Agency (FFA) estimates that

[10] For the third year in a row, Vanuatu is the country in the world most prone to natural disasters. Tonga is second, the Solomon Islands fourth, Papua New Guinea is sixth, Fiji is tenth, Timor Leste is 13th, and Kiribati is 15th.
[11] F.E. Zachos & J.C. Habel (2011), Biodiversity Hotspots: Distribution and Protection of Conservation Priorities: mainly located in tropical regions, "hotspots" are areas with at least 1,500 species of endemic vascular plants (excluding mosses, algae, and lichens), and in which at least 70% of habitat has been lost. The share of endemic biodiversity in global biodiversity is estimated at 0.5%.
[12] Southeast Australia, the East Melanesian Islands, the Polynesia-Micronesia region, New Zealand, and New Caledonia.
[13] Laufoaulu, R., Joannot, P., Lecchini, D., Julié, N., Adjouhgniope, J., Mahé, C., Butaud, J-F., Oremus, M., Moeroa, M., & Vakié, J., (May 2018). Working to preserve exceptional biodiversity in the face of multiple challenges. A round table presentation at the seminar "Biodiversity in the vast Pacific region: how can we enhance its exceptional endemic species? " in the Senate (http://www.senat.fr/rap/r17-533/r17-5332.html).
[14] Papua New Guinea Department of Conservation. 2014. Papua New Guinea's Fifth National Report to the Convention on Biological Diversity. September 2014. Port Moresby. pp.144 (https://www.cbd.int/doc/world/pg/pg-nr-05-en.pdf).
[15] Kailola, P. (2008). The Convention on Biological Diversity & the Cartagena Protocol on Biosafety: "to be economically sustainable, development has to be environmentally sustainable". Retrieved at https://www.sprep.org/att/irc/ecopies/countries/fiji/120.pdf
[16] Chambrey, C., Munzinger, J., Birnbaum, P., Dagonistini, G., & Isnard, S. (2012). Establishing a list of the tree, palm, and tree fern species of New Caledonia. Retrieved at http://horizon.documentation.ird.fr/exl-doc/pleins_textes/divers15-01/010063467.pdf
[17] OXFAM New Zealand. (2019). Retrieved at https://www.oxfam.org.nz/what-we-do/where-we-work/poverty-in-the-pacific
[18] Depaepe, M-C. (2019). 38% of the population still lacks access to drinking water. Polynesia is #1. Retrieved at https://la1ere.francetvinfo.fr/polynesie/tahiti/polynesie-francaise/38-population-n-toujours-pas-acces-eau-potable-692688.html
[19] Energy dependence, difficulty creating economies of scale, a dearth of infrastructure, and remote location with respect to major trade routes.
[20] Institut d'Émission d'Outre-Mer (2019). Wallis and Futuna: 2018 Annual report. Paris, France.
[21] UN Info. (2010). The WHO is concerned by the uptick in obesity rates on the Pacific islands. Retrieved at https://news.un.org/fr/story/2010/07/190412-loms-sinquiete-de-la-flambee-de-lobesite-dans-les-iles-du-pacifique
[22] Souter, D., Harris, C., Banks, R., Pearce, J., & Davies, T. (2016). Towards the Quantification of Illegal, Unreported and Unregulated (IUU) Fishing in the Pacific Islands Region. Retrieved from http://pacificguardians.org/blog/wp-content/uploads/2016/03/FINAL-IUU-Report.pdf

95% of illegal fishing is practiced by vessels with fishing licenses for the Pacific. The lack of financial, human, and technical means of the island States to monitor, manage and intervene in the EEZs impacts the French territories. Drug trafficking in the Pacific has boomed in recent years[23] due to an increase in cocaine and methamphetamine consumption in Australia and New Zealand. Since 2014, a marked increase of consumers has been observed in Fiji, Tonga, and Samoa.[24]

Finally, the region faces a growing problem of immigration and illegal trade of protected species.

1.3 PACIFIC REGIONAL OFFICE AND THE GROUP'S NETWORK

As AFD Group's regional development platform (Proparco, Expertise France), the **Pacific Regional Office (PRO), headquartered in Nouméa, New Caledonia, covers two agencies, in Nouméa and Papeete** and oversees activities in Wallis and Futuna, Timor Leste and the 14 PICs including Vanuatu, an historic partner of AFD in the region. The PRO is assisted by Proparco's Regional Office in Thailand for actions targeting the private sector in countries eligible for ODA (loans, equity, etc.). In foreign States, it also promotes synergies with Expertise France, which is the French technical agency that designs and implements development projects, in order to propose a coherent technical approach.

The Regional Office **integrates the challenges and issues shared by all countries and territories of the basin** and, thanks to its network, supports **cooperation activities with the aim of pooling resources** (mutual assistance after natural disasters, complementarity of port and airport infrastructure), **limiting the spillover of negative externalities from one territory to the next** (maritime litter, disease), and **sharing expertise on topics of common interest** (renewable energy, the erosion of coastal areas). In addition to the specific objectives for each region, the country and territory strategies also assist the implementation of the regional strategy at the local level.

The Agency's work in overseas France can target all sectors and can lead to the mobilization of all its financial tools. The Agency is the **main bank for overseas local authorities,** and it supports investments by means of budget loans or project aid. The Agency also funds public companies, semi-public companies, and the private sector overseas as part of its co-financing and risk-sharing strategy, complementing local banking sectors. It can also provide some grants to fund support and advisory missions, assistance to project sponsors, capacity building, and technical assistance.

In Vanuatu, the Group will mobilize the entire spectrum of its resources to target all sectors. **Given its geographic, social, and cultural proximity, Vanuatu is an important, historic partner for cooperation.** AFD Group will seek to nurture this long-standing relationship in its regional actions.

In Timor Leste and the 13 other PICs, the Agency's mission emphasizes climate change adaptation and biodiversity preservation. The Agency will be able to support regional projects via regional or local project management in the form of grants or loans. **In particular, in Papua New Guinea and Fiji,** the Agency will also be able to fund **bilateral projects using sovereign and non-sovereign loans with respect to AFD's mandate and its prudential regulations** in a timely manner.[25]

Thanks to this new organization whereby the Regional Office groups together French overseas territories and Pacific island States, the Group will be able to **increase the relevance of French territories** within their natural environment and to **promote France's interests in all aspects of its work.**

[23] The Pacific "drug highway" begins in Latin America then goes through French Polynesia, Tonga, Fiji, Vanatu, New Caledonia and Papua New Guinea.
[24] Lyons, K., (2019, June 23). The new drug highway: Pacific islands at centre of cocaine trafficking boom. The Guardian. Retrieved at https://www.theguardian.com/world/2019/jun/24/the-new-drug-highway-pacific-islands-at-centre-of-cocaine-trafficking-boom?utm_term=Autofeed&CMP=soc_568&utm_medium=Social&utm_source=Twitter&fbclid=IwAR2MBHHhfe52qRcuAzBgE7u0dhnfXZJuTafWfH3xYxzultTncYBmJww0siY#Echobox=1561320327.
[25] The "Lagarde doctrine" bans the provision of sovereign loans to countries with high debt levels.

2.

A REGIONAL STRATEGY FOCUSING ON FOUR KEY PRIORITIES

The AFD Group 2018-2022 Strategy summarizes the conclusions of the CICID of 8 February 2018 and outlines five commitments and six transitions based on the 2030 Agenda, the Sustainable Development Goals (SDGs), and the Paris Agreement. The **Three Oceans strategy (2019-2022) lays out the priorities for three oceanic basins covered by the AFD Group's mandate.** The Pacific Regional Strategy of AFD Group is part of this frame of reference and is aligned with **France's 2030 Strategy for the Asia-Pacific region of the Ministry for Europe and Foreign Affairs (MEAE)**, the **Overseas Blue Book (2018)**, and the **Trajectory 5.0[26] (2019)** of the Ministry of Overseas of France (MOM). Finally, the Pacific regional strategy of AFD Group also takes into account the strategic documents adopted by Pacific Leaders at Pacific Islands Forum Summits: the **Framework for a Resilient Development in the Pacific (FRDP) (2014), the Blue Pacific narrative (2017), the Boe Declaration (2018), and the Kainaki II declaration on climate (2019).** All of these documents place climate change at the top of the list of challenges facing the Pacific islands.

AFD Group, together with its subsidiaries Proparco and Expertise France, has three general objectives and one cross-cutting objective[27] for actions in the Oceania region:

- (SO1) **An Ocean of resilience:** support territorial, energy, and environmental transitions in mitigating and adapting to the effects of climate change and the protection of ecosystems
- (SO2) **An Ocean of inclusiveness:** ensure decent living conditions for populations, while respecting traditional lifestyles
- (SO3) **An Ocean of prospects:** facilitate the transition to sustainable and innovative economies with lower carbon emissions
- (CCO) **An Ocean in common:** promote the integration of French territories in the Pacific into their regional environment; increase the influence of French stakeholders.

These objectives reflect the **100% social link commitment** of the AFD Group 2018-2022 Strategy, which strives to ensure that each action helps strengthen social cohesion, decrease socio-economic inequality, and bridge the gender gap. They are also aligned with the **100% commitment to the Paris Agreement,** according to which all AFD-funded projects must contribute to a resilient, low-carbon development path. The Group will particularly seek to maximize the climate co-benefits of AFD-funded operations, for both adaptation and mitigation.

2.1. AN OCEAN OF RESILIENCE

The Group will assist countries and territories in building up resilience to climate change[28] by promoting **better climate governance (Specific objective - SO1)**. This governance will be supported by policies aiming to mitigate and adapt to climate change (rising sea levels, coastal erosion, coastal flooding, groundwater salinity, etc.). It will be based on revised and operational nationally determined contributions, support in developing climate-energy plans and the integration of climate change into all projects funded by regional and international organizations. To achieve this, the Group will use its dedicated support and advisory budget for overseas territories as well as funding in the form of grants or loans to support core projects related to climate change adaptation and mitigation. The Group will seek to maximize the co-benefits of climate actions it funds.

The Group's actions will help **mitigate the impact of natural disasters via a global response that will bring together knowledge, prevention, preparedness, and response (SO2).** The Agency will continue to support awareness-raising, prevention, preparedness, and response activities implemented by the Red Cross regional platform in New Caledonia. It will focus on the dissemination and implementation of nature-based solutions for the climate change adaptation policy in place in PICTs. Finally, the Group will support the design of relevant environmental and climate standards, finance resilient infrastructure, and lend its expertise to the design of insurance schemes to address the risk of natural disasters.

[26] The goal of Trajectory 5.0 is to turn overseas territories into zero-carbon, zero-waste, zero-chemical fertilizer, zero-vulnerability, and zero-exclusion areas.
[27] See Appendix 1 – Logical framework for AFD Group's Pacific Ocean strategy.
[28] AFD, Three Oceans Strategy, Priority 1: "Ensure the Three Oceans are 100% Paris Agreement-compliant territories," Area of action 1.

The Group will invest in the development of less carbon-intensive electricity mixes, while promoting energy efficiency (OS3).[29] It will develop industries producing renewable energy, support research on energy-efficient transportation and buildings, contribute to public policy discourse promoting clean energy, and increase knowledge sharing between French and foreign stakeholders.

The Group will significantly strengthen its actions to **utilize and sustainably manage natural resources while preserving ecosystems and biodiversity (OS4)**, in line with the revised Aichi targets for 2020 and measure 5.6 of the CICID. The Agency will contribute to area of action 3 of the Overseas Blue Book, which aims to preserve and enhance biodiversity. By proposing a multi-donor initiative for biodiversity and climate change adaptation in the Pacific Ocean starting in 2020, the Agency will support increasing climate resilience for Pacific islands and local populations, including in overseas territories. This initiative will finance nature-based solutions that integrate cultural and spiritual aspects into biodiversity conservation. Through this initiative, the Agency will be in a position to work effectively together with local populations to implement development projects that are integrated and adapted to local, national, and regional priorities.

2.2. AN OCEAN OF INCLUSIVENESS

The second general objective aims to improve living conditions for local populations and increase social cohesion in the region[30] while accounting for demographic changes. To this end, the Agency will seek to **expand and strengthen access to basic services by reducing socio-economic and gender inequality (SO1).** In French overseas territories, budget aid to local governments will make it possible to support the development and urban planning of sustainable towns and cities, for example, by addressing available housing. The Agency's work will help reinforce public services, in particular access to drinking water, as well as sanitation and urban transport. The Agency will promote cultural and sport activities among the youth, and will help better account for the social, economic, and cultural conditions of women (single-parent households, violence against women) in order to reduce gender inequality.

The Agency will also seek to **promote universal access to high-quality health services and to reduce the spread of transmissible human, animal, and plant diseases between territories (SO2).** The Group will support stakeholders from both PICs and French overseas territories in providing healthcare at all levels (local, national, and regional) in order to ensure complementarity between territories. Moreover, strengthening epidemiological surveillance, research, early warning and response mechanisms is part of the series of projects supported by the Group in the region, such as the Pacific Public Health Surveillance Network (PPHSN) implemented by the SPC. The Agency will seek to improve cooperation between the relevant stakeholders from the public, private, and customary spheres in designing integrated and inclusive solutions.

[29] MEAE, white paper "France's Strategy in Asia and Oceania: 2030", Area of action 5: "Promote global common goods among and with our regional partners", point 2: "France will contribute to improving the quality of life of populations and developing an effective response to climate change."
[30] AFD, Three Oceans Strategy, priority 3: "Strengthen regional cooperation," Areas of action 1 and 2.

2.3. AN OCEAN OF PROSPECTS

The group will support **the development of sectors of the blue economy as part of a sustainable approach and of adaptation to the effects of climate change** (fisheries, port infrastructure, shipyards, tourism) **(SO1).** The Group's roadmap in the Pacific will include monitoring changes in fish stocks and their intra-regional movements, as well as developing local biodiversity-friendly fisheries. The Agency should be a driving force for reflection and innovative solutions to the sustainable management of natural resources, at the same time promoting traditional practices. The Group will support projects for protecting ocean resources particularly by using technology such as satellite imagery, making it possible to fight illegal fishing and threats to biodiversity over large swaths of ocean territory.

AFD group will also support **sectors of the green economy** (agro-ecology, food safety, renewables, sustainable urban development), **the circular economy** (short supply chains; reducing, collecting, managing, treating, and recycling waste), **and the social economy (SO2).** The challenge of adapting ancestral and modern agricultural practices is of utmost importance for ensuring cultural continuity and food security for the populations of the Pacific islands. Taking these into account will reduce the import of waste, support the local subsistence economy, and reduce sanitary issues caused by poor nutrition. Waste collection, management, and treatment among islands will be one of AFD's priorities. For instance, the Agency funds the SPREP's regional waste management project. Moreover, the Group will support work to develop green tax policy, such as the one devised by Fiji, which encourages people, businesses, and public actors to better manage their negative externalities.

Finally, to counter geographic isolation caused by various constraining factors, the Group will help **improve both physical and digital connectivity between islands (SO3)** by supporting the development of port infrastructure, airports, roads, and digital cables in compliance with rigorous climate and environmental standards. It will foster a transition in aviation, maritime and road transport towards new technology with a lower carbon footprint. The Group will also seek to support stakeholders in these sectors in controlling environmental and social risk associated with increased means of connectivity (increase in the flow of goods and people, pressure on natural resources, etc.) in order to make these investments compatible with a resilient and low-carbon economic path.

2.4. AN OCEAN IN COMMON

In line with the government's commitment to further the integration of French overseas territories into their regional environment, the Group will seek to **develop partnerships with overseas French public stakeholders.** The Agency will commit, to the best of its ability, to supporting the bilateral and regional relationships of French Polynesia, Wallis and Futuna, and New Caledonia with their neighboring countries in order to promote their political, economic, and cultural integration at the regional level.[31]

In order to overcome the joint challenge of adapting to climate change and preserving biodiversity, **the Agency will rely on the "Kiwa Initiative," a multi-donor fund created through a Franco-European initiative** in order to take action in 14 PICs, Timor Leste and the three French territories. Currently supported by Australia, Canada, New Zealand, France, and the European Union, the Initiative will be the main regional platform of AFD, spearheaded by a secretariat based in Nouméa. Thanks to this initiative, it will be possible to fund small projects that are scalable in the region, technical assistance, and larger development projects. The financial involvement of the French Ministry of Overseas France in the Initiative will open it up to French territories.

Finally, The Group will contribute to identifying and **promoting economic talent from overseas territories** in the area, working together with consular chambers such as chambers of commerce and industry. It will seek to mobilize qualified French expertise in all projects it funds and will be able to draw on Expertise France.

[31] MEAE, white paper "France's Strategy in Asia and Oceania: 2030", Area of action 3: "Expand and deepen our strategic partnerships in the region," point 2: "France will implement a strategic approach to its presence in the Pacific and Indian Oceans, fully involving its overseas communities."

3.

EXPAND PARTNERSHIP INITIATIVES

3.1. CREATE SYNERGY WITH FRENCH STAKEHOLDERS AT THE REGIONAL LEVEL

By working closely with **diplomatic missions, governments, the high commissioners of New Caledonia and French Polynesia, the prefecture of Wallis and Futuna, the Permanent Representative of France at SPC and SPREP, the governments of French Polynesia and New Caledonia,** and the delegates of New Caledonia, the Agency will contribute to French policy in the Pacific Ocean by implementing development and international solidarity policy. It will create a network and work to inform public and private stakeholders, as well as neighboring regional offices (South Asia, Southeast Asia, Indian Ocean) of regional projects and programs in which AFD Group is involved.

AFD Group will prioritize partnerships in its activities. As part of partnership agreements which may already exist between the offices, the Group will examine the modes of more integrated operations with public French institutions (ADEME, CIRAD, IRD, Météo France, IFREMER, CNRS, Institut Pasteur, etc.) at the regional level. It will continue to fund the investments **of regional and local governments in overseas territories** and to support them in their decentralized cooperation with neighboring counterparts. It will continue to engage in close dialogue with the **French Caisse des Dépôts et des Consignations** as part of the Alliance aimed at promoting synergies between the two institutions.

3.2. STRENGTHEN PARTNERSHIPS WITH REGIONAL ORGANIZATIONS[32]

For several decades, France has been maintaining a close partnership with SPC and SPREP as a founding member that contributes to their operations. New Caledonia, French Polynesia, and Wallis and Futuna are full members of these organizations alongside other PICTs. In 2020, the signature of a France-SPC partnership framework will enshrine the strengthening of bilateral relations with the Community. Thus, the Agency will strengthen its partnership with **SPC, SPREP, and the other agencies of the Council of Regional Organizations in the Pacific (CROP).** It will closely involve SPC and SPREP in the implementation of the "Kiwa Initiative" in line with their competencies and absorption capacity.

3.3. MOBILIZE THE DONOR NETWORK TOWARDS A REGIONAL PERSPECTIVE

AFD will continue its dialogue with the **European Union** on sectors that can be targeted jointly. It will help implement the Pacific Investment Facility and the envelope from the European Regional Development Fund dedicated to overseas countries and territories (EDF-OCTs).[33] It will strengthen partnerships with the **Asian Development Bank (ADB),** relevant ministries and agencies for cooperation and development from **Australia, Canada, New Zealand, and Japan**. Furthermore, the Agency will work to develop new partnerships with other bilateral donors through the Kiwa Initiative, in accordance with the French strategy "Asia and Oceania 2030, towards an inclusive Asia Indo-Pacific region." Finally, AFD will continue to explore synergies with the French Fund for Global Environment (FFEM) and the Global Environment Fund.

[32] MEAE, white paper "France's Strategy in Asia and Oceania: 2030", Area of action 5: "Promote global common goods among and with our regional partners", point 1: "France will foster convergence with its Indo-Pacific partners (including within the G20) on global issues."
[33] MEAE, white paper "France's Strategy in Asia and Oceania: 2030", Area of action 4: "Wield greater influence on the regional stage and better defend our interests through the European Union and regional organizations," point 5: "France will draw on its European Union membership in its cooperation with regional institutions."

3.4. SUPPORT STAKEHOLDERS FROM THE PRIVATE SECTOR

The Group will support the **development of private sector activities** by contributing to the internationalization of local groups and disseminating innovations among overseas territories and foreign states. Proparco and AFD will coordinate their actions to better support the sustainable growth of economic and commercial exchanges. Proparco will develop targeted mechanisms for prospecting and promoting financing instruments for private projects in the Pacific. Proparco and the Agency will coordinate their efforts to improve access of French private groups and consulting firms to business opportunities in the Pacific region and Asia.

3.5. EXPAND KNOWLEDGE OF REGIONAL TRENDS

Activities related to knowledge production are strategic priorities for AFD in the region. These activities help **expand knowledge of major development challenges, as well as current territorial and economic trends** in the basin, which can be used in decision-making. AFD will continue its historic partnership with the Institutes of Emissions and INSEE via the project "Comptes économiques rapides pour l'Outre-mer" (CEROM), which strives to create a statistical framework to analyze recent economic changes in French overseas territories. The knowledge-building activities will also help **drive development projects aligned** with the Group's strategy. To this end, the Agency will rely on a network of universities, active think tanks, and scientific and technical agencies at national level (IRD, CRIOBE, IFREMER, Pasteur Institute), local level (Institute for Agronomic research and development of New Caledonia (IAC), Louis Malardé Institute (ILM) , University of New Caledonia (UNC), University of French Polynesia (UPF), and regional level (University of the South Pacific (USP), SPC, SPREP, Forum Fisheries Agency (FFA), Australian, New Zealand, and American universities and research centers) to **organize seminars, research programs, and publications.** For instance, these activities could involve cooperation in the area of natural hazards, awareness-raising on climate change issues, preserving biodiversity, or the vulnerabilities and resilience of small island economies.

Moreover, the Group, through its activities and network of partners, will be able to **identify innovative initiatives that could potentially be reproduced in different ocean basins** in order to benefit territories grappling with similar issues.

4.

INTERVENTION MODALITIES

4.1. RESOURCES AND TOOLS

The Group will mobilize all tools at its disposal. Loans will be the priority whenever the financial situation of the counterpart allows it. In French overseas territories, the Agency will continue to support investments of local governments in the form of budget aid or projects underpinned by subsidized loans and "green" loans to promote investments with a positive effect on climate and biodiversity. The Agency will also be able to provide grants to fund consulting services, assistance to project sponsors, capacity building, technical assistance, and research programs.

In Vanuatu and the 13 other PICs as well as Timor Leste, the Group will act using grants or loans. For **multi-country regional projects,** the Agency will prioritize grants by leveraging resources, such as through the **French Facility for Global Environment,** the European funds (PIF, EDF-OCTs), the Green Climate Fund, and vertical biodiversity funds.

The Agency will continue to use **the French Local Authorities Financing Facility (FICOL) to support decentralized cooperation projects** between French and foreign local governments and in order to contribute to the regional integration of Wallis and Futuna, French Polynesia, and New Caledonia. It will utilize **its Fund for Technical Expertise and Experience Transfers (FEXTE) to engage in public policy dialogue** with neighboring countries requesting French expertise.

AFD will open its **Civil Society Organizations Initiative** to NGOs, non-profits, trade unions, foundations, and stakeholders from the French social and solidarity economy, as well **as the calls for projects managed by IUCN within the framework of the Kiwa Initiative, to which actors in PICTs and territories are eligible.**

4.2. ACCOUNTABILITY FRAMEWORK AND MONITORING-EVALUATION MECHANISM

The **logical framework** of the Pacific Strategy is laid out in **Appendix 1.** The Strategy's goal **has three general objectives and one cross-cutting objective,** which are tied to **specific objectives that can be measured and assessed** and are to be attained through the Group's activities.

A series of cross-cutting indicators for all of the Group's activities in the region appear next to the overall goal. These cross-cutting indicators are part of the accountability framework of the Three Oceans Strategy (2019-2022) and embody the **added value of the Group's regional activities** (number of cross-border projects, the use of French expertise, number of partnership projects and studies). For the Pacific region, the Group will focus on the following elements:

- Surface area, in hectares, benefiting from conservation, restoration, or sustainable management programs for biodiversity (creation, expansion, improvement, sustainable funding for protected areas)
- Number of people with improved access to healthcare
- New installed renewable energy capacity related to projects
- Number of people to whom securely managed food or drinking water services were provided.

The regional strategy does not contain target indicators due to the large number of new activities, which makes it impossible to obtain a comprehensive baseline at this moment. Target indicators will be defined for the next strategy (2024-2028) using the available baseline.

An external ex-post evaluation of the strategy will be conducted at the end of the covered period.

5.

APPENDICES

APPENDIX 1: Logical framework for the Pacific Ocean Strategy

EXPECTED IMPACT	CROSS-CUTTING INDICATORS	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
GOAL **CONTRIBUTE TO SUSTAINABLE AND INCLUSIVE REGIONAL DEVELOPMENT IN TERRITORIES OF THE PACIFIC REGION**	**CCI1 –** CCI1.Overall volume of the Group's commitment (AFD/Proparco), analyzed by instrument, sector, and geographic area **CCI2 –** Volume of Group's disbursements (AFD/ Proparco) **CCI3 –** Number of partnered studies and projects **CCI4 –** Volume of external funding mobilized for multi-donor projects **CCI5 –** Number and volume of regional cross-border projects **CCI6 –** Volume of commitments and % of projects with climate co-benefits **CCI7 –** % of projects integrating a gender-related objective in the DCOM and some volume of annual AFD commitments with a principal or significant objective in the foreign states **CCI8 –** Number of people benefitting from safely managed drinking water services **CCI9 –** New installed capacity of renewables linked with projects	**GENERAL OBJECTIVE 1** **AN OCEAN OF RESILIENCE**	**SO 1.1 –** Increase resilience of territories and populations by promoting improved climate governance.
			SO 1.2 – Mitigate the impact of natural disasters on territories and populations via a holistic response focusing on knowledge, prevention, and risk preparedness.
			SO 1.3 – Promote the development of low-carbon electricity generation mixes, increase energy efficiency.
			SO 1.4 – Utilize and sustainably manage natural resources while preserving ecosystems and biodiversity.
	CCI10 - Share of the number of projects involving at least one French stakeholder in projects funded by the Group in foreign states in the region **CCI11 -** Surface area, in hectares, benefitting from conservation programs and conservation, restoration, and sustainable management programs for type 1 biodiversity (creation extension, improvement, sustainable funding of protected areas) **CCI12 -** Number of people with improved access to healthcare	**GENERAL OBJECTIVE 2** **AN OCEAN OF INCLUSIVE-NESS**	**SO 2.1 –** Expand and improve access to basic services by reducing socioeconomic and gender inequality.
			SO 2.2 – Improve universal access to quality healthcare services, reduce the spread of transmissible human, animal, and plant diseases.
		GENERAL OBJECTIVE 3 **AN OCEAN OF PROSPECTS**	**SO 3.1 –** Support the development of sectors in the blue economy.
			SO 3.2 – Support sectors in the green and circular economies.
			SO 3.3 – Support land, air, sea, and digital connectivity.
		CROSS-CUTTING OBJECTIVE **AN OCEAN IN COMMON**	**CCO.1–** Support the regional integration of French territories in the Pacific by supporting their cooperation efforts.
			CCO.2 – Encourage smart regional integration by creating the Kiwa Initiative, a multi-donor investment fund, which is complementary and effective in meeting regional needs.
			CCO.3 – Contribute to identifying and promoting French overseas economic talent and ensure awareness of the opportunities related to development projects.

APPENDIX 2: General characteristics of the territories: populations, economies, inequalities

TERRITORIES/ INDICATORS (2017)	REAL GDP (in millions USD)	TOTAL POPULATION	SURFACE AREA (km²)	REAL GDP PER CAPITA (constant US dollars)	REAL GDP GROWTH (annually)	HUMAN DEVELOPMENT INDEX (HDI)	DATA ON PUBLIC DEBT (as % of GDP when available)
COOK ISLANDS	324	17,500	240	18,514	3.5%	0.829	21.7% (2015)
FEDERATED STATES OF MICRONESIA	336	105,544	700	3,185	2.0%	0.627	25.6%
FIJI	5,061	905,520	18,270	5,589	3.9%	0.741	47.5%
FRENCH POLYNESIA	5,719	275,900	3,600	20,936	2.3%	0.74 (2010)	14.5%
KIRIBATI	186	110,000	810	1,685	2.5%	0.588	23%
MARSHALL ISLANDS	222	54,153	180	4,068	3.6%	0.708	35.2%
NAURU	84	12,475 (2015)	21	6,708	4.0%	0.721	62%
NEW CALEDONIA	9,355	278,500	18,576	33,600	0.6%	0.79 (2010)	15.5%
NIUE (2011)	17	1,625 (2006)	261	8,043	0.6%	0.6%	N/A
PALAU	296	21,764	460	13,417	-0.5%	0.798	30.8%
PAPUA NEW GUINEA	21,100	8,750,000	462,840	2,353	2.2%	0.544	37.5%
SAMOA	812	200,000	2,840	4,258	2.7%	0.713	50.3%
SOLOMON ISLANDS	1,321	650,000	28,900	2,132	3.2%	0.546	7.9%
TIMOR LESTE	2,778	1,230,000	14,870	2,240	-2%	0.625	6.20%
TONGA	415	104,600	75	3,983	2.8%	0.726	48%
TUVALU	37	10,879	30	3,157	3.2%	0.711	37%
VANUATU	870	274,775	12,190	2,923	4.2%	0.603	46.1%
WALLIS AND FUTUNA (2005)	170	12,200	14	11,500	N/A	0.763	N/A

Sources: the main indicators were taken from the World Bank database (https://databank.banquemondiale.org) and IMF data on Article IV consultation (https://www.imf.org/en/Publications/Publications-By-Subject?subject=Article%20IV%20consultation%20report). The data on overseas territories were taken from the annual IEOM report for 2018 (https://www.populationdata.net).

APPENDIX 3: Main observations concerning climate change, trends, and future effects

COUNTRIES/TERRITORIES	MAIN OBSERVATIONS REGARDING CLIMATE CHANGE		TRENDS AND FUTURE EFFECTS
COOK ISLANDS	Rising sea levels Rising temperatures		**Since 1993, sea levels have risen 10 cm (or 4 mm per year on average)** Projections predict between +0.45 and +0.82°C by 2030 and +1 to +3°C by 2090. More intense and frequent episodes of heavy rainfall (increasing from one episode every 20 years to one episode every 4 years), and rising sea levels, which may increase by as much as one additional meter by 2100, threaten the residents of the Cook Islands.
FEDERATED STATES OF MICRONESIA	Rising temperatures Rising sea levels Droughts, coastal flooding Ocean acidification		**Temperatures rose an average of +0.8°C since 1950, or +0.14°C per decade** The water surface temperature has also increased by +0.32°C in the period 1970-2009. The El Nino phenomenon is exacerbating droughts. Sea levels rising on average by 10 mm per year since 1993, or 26 cm, which causes coastal flooding, damaging soil, farmland, and pockets of drinking water. In 2030, this will amount to an additional 5-15 cm, and 20-60 cm by 2090 on the islands. Ocean acidification will accelerate and directly affect the survival of coral: by 2030, conditions necessary to coral growth will no longer be present in Micronesia. Forecasts for extreme rain predict more powerful and frequent rainfall (2-3 annual episodes, and +10 mm per episode by 2055). In 2090, there will be twice as many annual episodes of heavy rain and 20 mm more rainfall on average per episode.
FIJI	Frequent tropical cyclones Droughts, coastal flooding Rising temperatures Rising sea levels		**85% of natural disasters from 1985 to 2012 were tropical cyclones** 11% of them were floods, and 2% - droughts. El Nino and la Nina have caused the most serious climatic change on Fiji. During an El Nino, rainfall may fall by 20-50% in most countries. Temperature lows have increased at a pace of 0.12°C per decade between 1961 and 2012, or 0.6°C, and temperatures have increased by 0.22°C per decade over the same period, or 1.1°C over 50 years. Projections predict +1°C on Fiji by 2055 and +2°C by 2090. It is expected that sea levels will rise by 20 to 50 cm by the end of the century.
FRENCH POLYNESIA	Rising temperatures Extreme precipitation Rising sea levels		**Average global surface temperatures increased 0.74°C [+ 0.56°C to + 0.92°C] during the past 100 years (from 1906 to 2005),** This increase has accelerated since 1970. In Tahiti Fava, a temperature rise of 0.39°C (+/-0,11) per decade was observed, the equivalent of 1.05°C during the period 1976-2003. An overall rise in sea surface temperatures is expected, with variations in different geographic areas (+2.5°C to the north of the Marquesas Islands and +1.5°C in the Southern Territories). Since the mid-1970s, annual precipitation has increased by 50-100% according to the measurement stations on the Marquesas. There are no specific precipitation projections for the various islands of French Polynesia, but a snapshot of global projects by the IPCC shows an increase in rainfall by 2100 in the North of the Marquesas (from + 5% to + 20%) during all seasons. A modest increase in precipitation on the Society Islands (from +5% to + 15%) is expected during the dry season (June, July, and August). A modest increase in precipitation (+5% to + 15%) is expected in the south of the Southern Territories during the wet season (December, January, and February). On the other hand, in the east of the Tuamotu Islands, a large decrease in rainfall (from -5% to -40%) during the wet season is projected (IPCC 2007). In French Polynesia, there was an increase of about 7.5 centimeters in Tahiti between 1975 and 2005 according to the Papeete tide gauge. Projections for the Pacific region indicate an average increase of 35 cm by the turn of the century.
KIRIBATI	Rising temperatures Rising sea levels Droughts and floods (rainfall and ocean)		**Average temperatures increased +0.6°C between 1970-2006 and are predicted to increase +1°C by 2050 and +2.3°C by 2100** Rainfall is extremely variable and greatly impacted by El Nino episodes (torrential rain) and La Nina (drought). This can have a serious impact on water deposits on the Kiribati atolls, which are the only source of water for the population. According to projections, the average rise in sea levels will be +6 cm by 2025, +14 cm by 2050, and +39 cm by 2100 compared with figures for the year 2000.
MARSHALL ISLANDS	Rising sea levels Rising temperatures		**Sea level rise has accelerated over the past decade.** It doubled between 2003 and 2008 compared with the period from 1961-2003 (1961-2003: about 1.8 mm per year, and 2003-2008: 3.5 mm per year). Projections predict an additional rise of 0.5 to 1 m by the end of the century.
NAURU	Rising temperatures Extreme precipitation Ocean acidification		**Average temperatures will rise by +1.2°C by 2030 compared with 1995 levels** Projections vary widely depending on different scenarios: for RCP 8.5 (high GHG emissions), the increase will be +2°C to +4.5°C in Nauru by 2090. RCP 2.6 (very low GHG emissions) predicts an increase between +0.6°C and +1.5°C by the turn of the century. It is very likely that the frequency and intensity of extreme precipitation will increase. Ocean acidification will accelerate and directly impact coral survival: by 2030, Nauru will no longer possess the necessary conditions for coral survival (aragonite concentration below 3.5 by 3020 and around 2.5 by 2100 in a high-emissions scenario. An optimal value is below 4).
NEW CALEDONIA	Rising temperatures Extreme precipitation Drought Rising sea levels		**An across-the-board increase in temperature highs in New Caledonia of 1°C (RCP4.5) and 1.4°C (RCP8.5) for the period 2040–2060** And between 1.5°C (RCP4.5) and 3.6°C (RCP8.5) for the period 2080 -2100. The current hot season will be extended by 2 (RCP 4.5) to 6 months (RCP 8.5). Increase in precipitation of between 0 and 80mm/year for the period 2040-2060, and between 33 and 73 mm/year for the period 2080-2100, depending on the scenario, or ~+10% of the present value. The dry season will be extended by 2 months (RCP 4.5) and 6 months (RCP 8.5) during the period 2080-2100. An increase of almost 50% in rainfall during the wet season in scenario RCP 8.5 for the period 2080-2100..
NIUE	Droughts and floods Extreme precipitation Rising temperatures		**Average annual temperatures on Niue should increase by +0.7°C to 1.5°C by 2050 and up to 3°C by 2070** There is still a lot of uncertainty about the change in precipitation patterns by 2050, even though it is expected that there will be stronger rainfall during the rainy season and less frequent precipitation during the dry season, as well as more episodes of extreme precipitation during the dry season. It is expected that sea levels will rise 0.19-0.58 cm (globally) on Niue, and, combined with stronger cyclones, greater ocean acidification, and higher surface temperatures will increase coastal erosion.

APPENDIX 3: Main observations concerning climate change, trends, and future effects (continued)

COUNTRIES/TERRITORIES	MAIN OBSERVATIONS REGARDING CLIMATE CHANGE		TRENDS AND FUTURE EFFECTS
PALAU	Rising sea levels Extreme precipitation Rising temperatures		**Projections predict a rise in sea levels of +12.7 cm by 2030** +25 cm in 2050 and almost 90 cm by 2090. Temperatures are expected to rise +0.8°C (2030), and there will be a likely increase of +1-2°C by 2050 and +2-4°C by 2090. These figures are consistent with the predicted rise in ocean surface temperatures. Rainfall is also expected to increase (+2% in 2030; +4% in 2050, and +8% in 2090), even though they are still vulnerable to El Nino and La Nina.
PAPUA NEW GUINEA	Rising temperatures Rising sea levels		**Maximum temperatures have increased by 0.11°C per decade since 1950 (or +0.7°C overall)** Sea levels have risen 7 mm/year since 1993 at a rate twice the global average. The frequency of precipitation will decrease during the rainy season and increase, along with the intensity, during the rest of the year by 2100.
SAMOA	Rising temperatures Extreme precipitation Drought Rising sea levels		**An average increase in sea levels of 5.2mm/ year since 1993** The maximum value was 8.2 mm/year. Changes in rainfall patterns are becoming more variable, and there has been a significant increase in daily rainfall. The sea is predicted to rise 36 cm on Samoa by 2050, and there will be +1.2% in precipitation, +7% in episodes of strong winds, and a temperature increase of +0.7°C. The number of episodes of rainfall over 300mm was extremely rare in 1960. Such episodes will occur once every seven years on average from now until 2050, causing flooding, which is already affecting Samoa.
SOLOMON ISLANDS	Rising temperatures Tropical cyclones Droughts and floods (rainfall and ocean) Rising sea levels		**Temperatures have risen 0.15°C per decade since the 50s** This is an increase of approximately +0,7°C between 1951 and 2011 with a projected increase of +1°C by 2030 and +2°C by 2090 (compared with 1951). Sea surface temperatures increased +0.2°C between 1971 and 2011, and will continue, rising +2°C to +2.5°C by 2080. The rise in sea levels is estimated to be +0.5 to +1.4 m by 2100. Cyclones are becoming more powerful as sea surface temperatures rise. The number of violent cyclones in the eastern and northern Pacific has increased in the past 30 years.
TIMOR LESTE	Rising temperatures Extreme precipitation Drought Rising sea levels		**The El Nino/La Nina phenomena affect and strenthen climate variability (especially droughts and periods of heavy rainfall)** The rain season in Timor Leste (November-April) will change by about 8% by 2030 and will increase significantly (+20%) by 2070. The next season (May to July) will see a large fall in rainfall (-30% by 2030 and -80% by 2070). Average temperatures will increase by as much as 1.2°C by 2030 and almost 3°C by 2070. Sea level rise will reach +0.76 mm by 2100.
TONGA	Rising temperatures Extreme precipitation Drought Rising sea levels		**Precipitation projections for the second half of the 21st century predict increasing disparity between the various islands of the archipelago** It is expected that precipitation will decrease in some territories (up to 22 mm per year) and increase in others (+1,500 mm on average by 2100), increasing the disparity between islands from 30% today to 70% in 2100. The rise in temperatures will also be very uneven on the archipelago, with an average of +1.5°C by the turn of the century (ranging from +0.1°C on Vava'ua to +2.9°C on Tongatapu). Sea levels have been rising by 6.4 mm/ year (1993-2007), which amounts to a projected +8.4 cm by 2020, +27.5 cm by 2050, and +60 cm by 2100.
TUVALU	Rising temperatures Drought Rising sea levels		**Average temperatures on Tuvalu increased by +1°C between 1950 and 2009** An increase of +2.5°C is expected by 2090. On the other hand, annual rainfall has decreased by 14% on average since 1950, even though it varies every year depending on El Nino and La Nina episodes. El Nino also promotes the formation of cyclones (+50% in the number of cyclones compared with "neutral" climate periods). The sea level rise is an average of 5 mm/year for Tuvalu (vs 3 mm/year for the global average).
VANUATU	Rising temperatures Rising sea levels Extreme precipitation and drought		**Sea levels have been rising 6 mm per year since 1993, for a total of approximately 0.16 m** Temperatures have increased +0.5°C since 1970, and the sea surface temperatures and ocean acidification reduce the chances of coral survival and growth. Projections predict an increase (>5%) in rainfall by 2090. Sea levels will rise by +15 cm by 2030 and almost 60 cm in 2090..
WALLIS AND FUTUNA	Rising temperatures		**Temperatures will rise +1.1°C on average on Wallis and Futuna** No changes with respect to precipitation

Sources: These data were obtained from the second UNFCCC National Communications and from the Pacific Climate Change Portal (http://pacificclimatechange.net/). Data on French overseas territories were obtained from the INTEGRE report on adaptation strategies for climate change on Wallis and Futuna, the DIMENC report on more granular climate models in New Caledonia, the climate change adaptation tool of the Government of New Caledonia, and the report of the Ministry for the Environment of French Polynesia on the "State of climate challenges in French Polynesia" (2009).

APPENDIX 4: Main areas of gender inequality detected and stakeholder map

COUNTRY / TERRITORY	EDUCATION AND PROFESSIONAL INTEGRATION	ACCESS TO HEALTH SERVICES, PARTICULARLY SEXUAL AND REPRODUCTIVE HEALTH	DEMOGRAPHICS		VIOLENCE AGAINST WOMEN	ACCESS TO DECISION-MAKING BODIES	LEGAL AND CUSTOMARY CONTEXT	POLICIES AND STAKEHOLDERS FOR GENDER EQUALITY
NEW CALEDONIA	Overall education level has increased over the past 25 years, but the share of women with diplomas is low. 60% of Kanak women do not have any diploma. The level of professional integration depends on the social group: Melanesian women have lower employment rates than women of European origin. Women have high unemployment and part-time work rates. The wage gap is smaller than in mainland France.	STD rates are six times higher than in mainland France. The use of contraception is on the rise, but usage rates differ among communities: they are lower among women of Polynesian origin (74%) than among women of European descent (93%). High rates of cancer among women due to low screening rates and diabetes/obesity. Infant mortality rates are 4.9 per 1,000 births compared with 3.5 in mainland France.	Population growth: fertility rates are decreasing (2.2) but are higher than in mainland France (1.98). Positive migratory flow. Household size is decreasing, and there is a growing number of single-parent households. High adolescent birth rate (19.78 per 1,000 versus 8.8 in mainland France in 2016).		Domestic physical violence rates are 7 times higher, and sexual violence 2 times higher than in mainland France. Strong correlation between alcohol consumption and sexual violence in the Kanak community.	35% of Members of Parliament (MPs) and 45% of provincial representatives are women. 18% of mayors are women. No female representatives in the National Assembly or Senate. All representatives in the Customary Senate are male.	Long customary law procedures that are not favorable to women who are victims of violence. By custom, clans are placed in a position of authority when ruling on violence, which is normally unfavorable to the victim. Abortions legalized in 2000 (1975 in mainland France)	**Gender equality policy:** Three-year action plan (2016-2018) for improving the status of women in the South Province. The Pacific Community's Pacific action plan 2018-2030 for the equality of the sexes and fundamental women's fundamental rights. **Local stakeholders:** Mission on the status of women, Center of Family Counseling, the South Province relay center for prevention and treatment of victims and perpetrators of violence.
FRENCH POLYNESIA	Graduate rates for both sexes lower than averages for mainland France. Graduation rates higher for women than men, but they experience lower employment and higher unemployment. Very high unemployment among young women (60% of working-age women under 25 are unemployed, which is 5 percentage points higher than men in the same age category).	Difficulty in using contraception (52% of women forget to use it or don't use it correctly). The archipelago's geographic characteristics hinder the implementation of health measures across the entire territory. High rates of cancer among women due to low screening rates and diabetes/obesity. Infant mortality rates are 7.5 per 1,000 births compared with 3.5 in mainland France.	Population growth is slowing (net migration loss, fertility rates have been falling for 40 years). Adolescent birth rate of 35 per 1,000 (versus 8.8 in mainland France in 2016). 3.5 people per household compared with 2.2 in mainland France.		Domestic physical violence rates are 7 times higher, and sexual violence 2 times higher than in mainland France. Local characteristics hamper convictions for violence (surface area, islands far from one another).	Women are under-represented in the government (36%) and among mayors (19%). In January 2017, the ministerial portfolio for Women's Rights was suppressed.	Abortions legalized in 2001 (1975 in mainland France).	**Gender equality policy:** Polynesian action plan for the promotion of families and rebuilding social ties. 2018-2022 Plan for prevention and promoting health in French Polynesia. **Local stakeholders:** Delegation for family and the status of women, Ministry for Family and Solidarity.
WALLIS AND FUTUNA[33]	Women's activity rate of 46% compared with 54% for men. 54% of unemployed persons are women. High percentage of workers in the artisanal sector are women.	Life expectancy for women (78.9) lower than in mainland France (85.3). High rates of diabetes (18.9%) and obesity (66%) among women. Low rates of contraception use (≤10%).	Fertility rate of 2.2 children per woman (4.5 in 1983).		27 complaints[34] filed in 2012. There are no facilities to deal with violent spouses.	3 women at the head of the 24 high-level administrative departments, state and territorial agencies, and 6 women among the territorial counselors.		**Local stakeholders:** Regional contact point for women's rights. Territorial council on women's rights on Wallis and Futun.a
PAPUA NEW GUINEA (PNG)[35]	Low literacy rates among women (53.4% compared with 62.1% for men). Only 50% of girls attend middle school.	Maternal mortality rate: 23.5 out of 1,000 (2.2 in Australia). 2/3 women do not have access to contraception. Life expectancy for women lower than for men. High HIV rates among women: 56% of new infections are among women.	Fertility rate of 3.6 children per woman (5.6 in 1980). Adolescent birth rate is 53 out of 1,000.		One of the highest rates of violence against women in the world: 2/3 of women are victims of domestic violence, and 50% of women experience rape.	There are no women in the Parliament, out of 111 seats.	There have been murders of women accused of sorcery. Polygamy and child marriage are present. Abortions are illegal except in cases where the life of the mother is in danger.	**Gender equality policy:** Pacific Women Shaping Pacific Development **Local stakeholders:** UN Women Papua New Guinea UNFPA Papua New Guinea
FIJI[36]	Equality in basic education. Women's activity rate of 46% compared with 81% for men. 64% of women work in the informal economy, compared with 57% of men.	Maternal mortality rates are 0.4 per 1,000 births. Infant mortality rates are 14 per 1,000 births.	Fertility rate of 2.6 children per woman (3.3 in 1995). Adolescent birth rate is 27 out of 1,000.		66% of women have experienced physical violence. 26% of women have been subjected to violence during pregnancy, and 48% have experienced domestic violence. 1/3 of women have been sexually harassed at work.	16% of MPs are women.	Abortions are illegal except in cases where the life of the mother is in danger. Inheritance is passed on from father to son, which bars women from owning real estate.	**Gender equality policy:** Fiji National Gender Policy **Local stakeholders:** Fiji Women's Rights Movement
KIRIBATI[37]	Equality in basic and higher education. Women's employment rate of 30%. Only 20% of married woman can freely decide how to spend their salaries.	52% of women are obese, and 82% are overweight. Contraception use rates are 48%. High rate of cancer in women (70%).	Adolescent birth rate is rising (39 out of 1,000 in 2005 vs. 51 out of 1,000 in 2010).		73% of women have been exposed to physical or sexual violence. 90% of women have been exposed to a form of psychological harassment, and 31.4% to rape with the use of physical force.	6.5% of MPs, 3% of municipal counselors, and 52% of high-ranking civil servants are women.	Abortions are illegal except in cases where the life of the mother is in danger. Unmarried women can lose custody of their children if the father requests sole custody.	**Gender equality policy:** Strategic Action Plan to Eliminate Sexual and Gender Based Violence 2011–2021 **Local stakeholders:** Ministry for Women, Youth and Social Affairs UN Women Kiribati

Source: gender profiles completed by AFD for New Caledonia, French Polynesia, and Wallis and Futuna (2016-2018). For Papua New Guinea, Fiji, and Kiribati, data were obtained from different sources, including UN Women, the Australian DFAT, and Human Rights Watch.

[33] https://www.insee.fr/fr/statistiques/1281314#tableau-figure3
https://www.lecese.fr/travaux-publies/combattre-les-violences-faites-aux-femmes-dans-les-outre-mer
[34] 1 rape, 1 voluntary manslaughter, 1 sexual assault, 1 violation of person or dignity, 2 home intrusions, 4 threats of violence, and 15 assault and battery cases.
[35] https://www.nytimes.com/2018/11/15/world/asia/papua-new-guinea-apec-women-abuse.html
https://www.hrw.org/world-report/2017/country-chapters/papua-new-guinea
https://dfat.gov.au/about-us/publications/Documents/pacific-women-shaping-pacific-development-in-png-mid-term-review-of-the-png-country-plan.pdf
[36] https://www.adb.org/sites/default/files/institutional-document/210826/fiji-cga-2015.pdf
https://dfat.gov.au/about-us/publications/Documents/pwspd-kiribati-summary.pdf
[37] http://pacificwomenreport.org/progress-by-location/kiribati/
http://asiapacific.unwomen.org/en/countries/fiji/co/kiribati

APPENDIX 5: List of regional organizations

STATES AND TERRITORIES	THE PACIFIC COMMUNITY (SPC)	REGIONAL OCEAN PROGRAM FOR THE ENVIRONMENT (PROE)	PACIFIC ISLANDS FORUM (PIF)	FORUM FISHERIES AGENCY (FFA)	WESTERN AND CENTRAL PACIFIC FISHERIES COMMISSION (WCPFC)
COOK ISLANDS	Member	Member	Member	Member	Member
FEDERATED STATES OF MICRONESIA	Member	Member	Member	Member	Member
FIJI	Member	Member	Member	Member	Member
FRENCH POLYNESIA	Member	Member	Member	Non-member	Participating territory
KIRIBATI	Member	Member	Member	Member	Member
MARSHALL ISLANDS	Member	Member	Member	Member	Member
NAURU	Member	Member	Member	Member	Member
NEW CALEDONIA	Member	Member	Member	Non-member	Participating territory
NIUE	Member	Member	Member	Member	Member
PALAU	Member	Member	Member	Member	Member
PAPUA NEW GUINEA	Member	Member	Member	Member	Member
SAMOA	Member	Member	Member	Member	Member
SOLOMON ISLANDS	Member	Member	Member	Member	Member
TIMOR LESTE	Non-member	Non-member	Non-member	Non-member	Non-member
TONGA	Member	Member	Member	Member	Member
TUVALU	Member	Member	Member	Member	Member
VANUATU	Member	Member	Member	Member	Member
WALLIS AND FUTUNA	Member	Member	Member	Non-member	Participating territory

Source: SPC, SPREP, PIF, FFA, WCPFC.

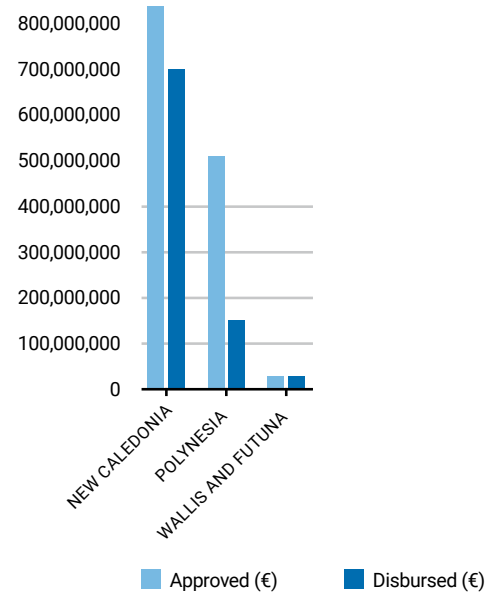
Country and territory hosting the Secretariat of a regional organization are in blue.

APPENDIX 6: Overview of Group activities (2015-2018)

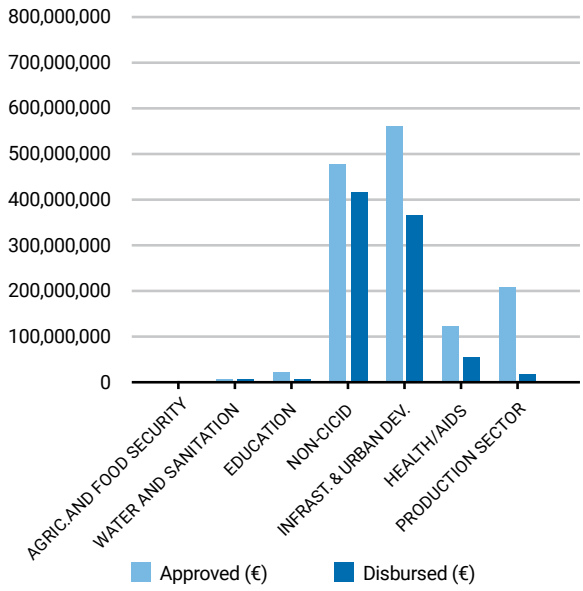
Overview of the Group's activities over the period 2015-2018

Total approved in 2015-2018:	€1,407 M
Total approved with climate-related benefits:	€40 M
Total approved with gender-related benefits:	€0 M
Total state cost mobilized:	€11 M

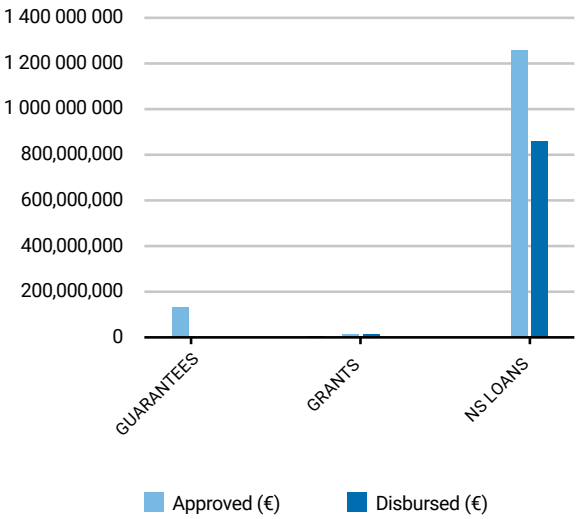
Group approvals and disbursements by country and territory, 2015-2018



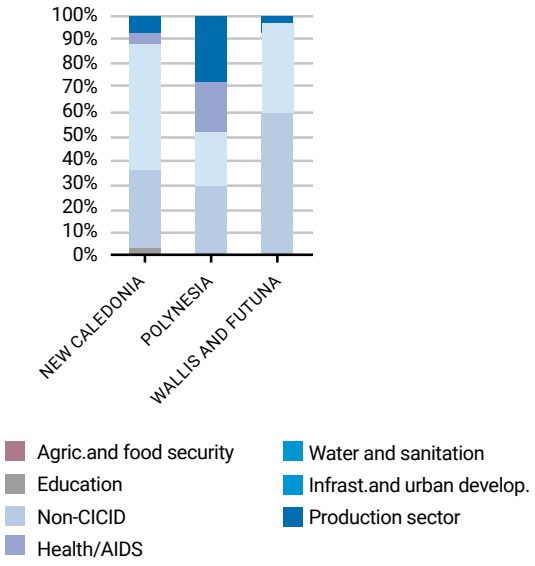
Group approvals and disbursements by sector, 2015-2018



Group approvals and disbursements by instrument, 2015-2018



Sector breakdown of approvals in each country and territory



LIST OF ABBREVIATIONS

ACP: Africa, Caribbean, Pacific

ADB: Asian Development Bank

AFD: Agence Française de Développement

CCO: Cross-cutting objective

CICID: Interministerial Committee for International Cooperation and Development

CIRAD: French Agricultural Research Center for International Development

CRIOBE: Centre for Island Research and Environmental Observatory

EDF: European Development Fund

EEZ: Exclusive economic zone

FFA: Forum Fisheries Agency

GDP : Gross domestic product

GO: General Objective

GHG: Greenhouse gases

IAC: Agricultural Institute of New Caledonia

IBRD: International Bank for Reconstruction and Development

IDA: International Development Association

ILM: Louis Malardé Institute

IRD: French National Research Institute for Sustainable Development

IUCN: International Union for Conservation of Nature

MEAE: Ministry for Europe and Foreign Affairs

MOM: Ministry for Overseas France

MSG FTA: Melanesian Spearhead Group Free Trade Agreement

NS : Non-sovereign

OCT: Overseas Countries and Territories

ODA: Official development assistance

OIF: International Organization of La Francophonie

PACER+ : Pacific Agreement on Closer Economic Relations

PIC: Pacific Island Countries

PICTs: Pacific Island Countries and Territories

PICTA: Pacific Island Countries Trade Agreement

PIF: Pacific Islands Forum

PNG: Papua New Guinea

PPP: Priority low-income country

PRO: Pacific Regional Office

RCP: Representative concentration pathway

SPREP: Secretariat of the Pacific Regional Environment Programme

SDG: Sustainable development goals

SO: Specific objective

SPC: Pacific Community

USD: United States dollar

USP: University of South Pacific

What is AFD?

AFD is an inclusive public financial institution and the main actor in France's development policy. It makes commitments to projects that genuinely improve the everyday lives of people, in developing and emerging countries and in the French overseas territories.

AFD works in many sectors – energy, health, biodiversity, water, digital technologies, training – and supports the transition to a safer, more equitable and more sustainable world: a world in common. Its action is fully in line with the Sustainable Development Goals (SDGs).

Through its network of 85 agencies, AFD operates in 115 countries and is currently supporting over 4,000 development projects. In 2018, it earmarked EUR 11.4bn to finance these projects.

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