THE PACIFIC COMMUNITY

FIFTH PACIFIC REGIONAL ENERGY AND TRANSPORT MINISTERS' MEETING

Port Vila, Vanuatu, 8 – 12 May 2023

TD 03: DEVELOPMENT OF A NEW FRAMEWORK FOR A SUSTAINABLE MARITIME SECTOR IN THE BLUE PACIFIC

[Submitted by the Pacific Community and International Maritime Organization]

Purpose

1. The purpose of this paper is to seek endorsement by Transport Ministers for the co-design of a substantially revised regional framework for the maritime transport sector, based on the review of the *Framework for Action on Transport Services 2011-2020* (FATS) and a decision by the the International Maritime Organization (IMO) to set up a Regional Presence Office (RPO) in the Pacific Islands region.

Background

- 2. This proposal responds to item 29 (Collaboration and Coordination in the Pacific) of the Outcome of 4th Pacific Regional Energy and Transport Ministers' Meeting (4th PRETMM), where Transport Ministers called for, amongst other things-
 - III. IMO to establish a regional office in the Pacific Islands, building on existing partnerships and technical cooperation programmes, and welcome Australia's offer to advocate for this at the next IMO Assembly; and
 - IV. the SPC to consult and explore options for the development of new framework for transport taking into account the need to address aviation matters. SPC will report on the outcome at the first meeting of transport ministers or officials from 2020 and get advice on the way forward.
- 3. Additional support for the need to develop a new framework for a sustainable maritime sector in the Blue Pacific come from four (4) recent international and regional initiatives.
- 4. Internationally, at its 34th extraordinary session in 2021, the IMO Council approved the establishment of an IMO Pacific RPO. The establishment of a permanent RPO will deepen IMO's understanding of Pacific Small Island Developing States (SIDS) and Least Developed Countries (LDCs) and enhance IMO's capacity to deliver technical assistance to the region. The IMO Secretary-General, considering various parameters and inputs from the region, decided that the RPO was to be established in Fiji, so work is in progress with the Government of Fiji to have an established and functioning RPO as soon as possible.
- 5. In the region, the maritime transport sector continues to receive attention at the highest level, and in 2021 Pacific Island Forum Leaders issued an *Ocean Statement* that included recognition of the critical role that the maritime industry plays in the Blue Pacific region and called for the-
 - "sustainable and resilient development of the maritime industry, including investment in new technology and operations, to ensure safe, accessible, efficient and affordable maritime transport

¹ CSS22-4104-FINAL REPORT-OUTCOME DOCUMENT--FATS2011-2020-REVIEW.pdf

which contributes to the International Maritime Organization's decarbonisation strategy and a quieter maritime sector."

- 6. In 2022, Pacific Leaders adopted the 2050 Strategy for the Blue Pacific Continent (2050 Strategy) which articulates their values, vision, and political commitments for a Blue Pacific Continent. The 2050 Strategy identifies seven thematic areas of focus². Maritime transport falls within the Technology and Connectivity thematic area, for which the Leaders' level of ambition is "All Pacific peoples benefit from their access to affordable, safe and reliable land, air and sea transport..." (emphasis added). The Implementation Approach for the thematic areas accepts the need to consider "other Pacific-relevant targets and indicators that monitor the success of partnerships as well as progress made to deepen regionalism..." In other words, the 2050 Strategy implicitly recognizes that other Pacific-centered sectoral strategies should contribute to implementation of its thematic areas.
- 7. The most recent regional initiative is the 2023 *Port Vila call for a just transition to a fossil fuel free Pacific* which highlighted the need for a new strategy and the importance of collaboration among regional initiatives by-
 - "Calling for the 5th Pacific Regional Energy and Transport Ministers (PRETMM) meeting to task the Pacific Community (SPC) with developing a regional strategy for carbon free maritime transport in collaboration with initiatives such as the Pacific Blue Shipping Partnership."
- 8. The Transport Ministers made the call to develop new framework for transport because FATS, the main regional strategy on transport, had lapsed in 2020. It had been adopted in 2011³ by Pacific Island Countries and Territories (PICTs) in response to a call by Pacific Forum Leaders in their 2004 declaration entitled 'Forum Principles on Regional Transport Services' and was designed to improve the efficiency, effectiveness, and sustainability of Pacific transport services.
- 9. The 4th PRETMM agreed to continue implementation of the FATS until a new framework is adopted. With financial support from IMO, the SPC engaged a consultant to review FATS, and a progress report was presented at the virtual Pacific Regional Maritime Transport Officials Meeting hosted by Vanuatu in November 2022.

Current status

10. The FATS consultancy was carried out from August 2022 to April 2023 and incorporates responses to a questionnaire by eleven (11)⁴ PICTs and three (3)⁵ regional organisations.

- 11. Overall, the review recommends the development of a new comprehensive, flexible, and responsive framework that focuses specifically on current needs, evolving challenges and emerging issues in the maritime transport sector in the Blue Pacific region.
- 12. The following are the main findings of the FATS review.
 - a. Although the FATS has been a useful framework to guide transport development in the Pacific region, it requires substantial revision to address emerging challenges and align with regional strategies such as the 2050 Strategy and the Boe Declaration.

² These are Political Leadership and Regionalism, People Centered Development, Peace and Security, Resource and Economic Development, Climate Change and Disasters, Ocean and Natural Resources, and Technology and Connectivity.

³ During the Inaugural Regional Meeting of Ministers of Energy, Information and Communication Technology and Transport. A mid-term review was completed in 2015.

⁴ These are Cooks Islands, Republic of Marshall Islands, Federated States of Micronesia, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tuvalu and Vanuatu.

⁵ These are Pacific Aviation Safety Office (PASO), Secretariat of Pacific Islands Forum (PIFS) and Secretariat of Pacific Regional Environment Programme (SPREP).

- b. There is a need for a robust monitoring, evaluation, and learning framework to be established by the new framework, to ensure that its impact is measured and that the necessary adjustments can be made based on evidence.
- c. The new framework should respect sovereignty and ensure that national policies and plans are developed and implemented in line with the framework's guidelines, to ensure consistency.
- d. The new framework should include clear actions and targets for capacity building and technology transfer including regulatory frameworks, financing mechanisms, data collection and analysis, infrastructure and services, safety and security, and climate change mitigation.
- e. Stakeholder engagement and participation, particularly from the private sector and civil society, need to be increased in the development and implementation of transport policies and strategies in the Pacific region.
- f. Despite the call by Transport Ministers to include aviation in the new framework, the progress made by PASO and the complexity of land transport services mean that the new framework should focus only on the maritime transport sector.

Issues

- 13. The maritime transport sector in the Blue Pacific has changed significantly since the FATS was adopted in 2011, so a substantially updated framework is necessary to address emerging issues such as climate change, digitalization, and the needs of vulnerable groups (such as people living with special needs, youths, elders and young women and girls).
- 14. The 'new FATS' will focus on themes that reflect the needs, priorities and future aspirations of PICTs, and align these with the 2050 Strategy, Sustainable Development Goals and other important regional and international frameworks, including those of IMO.
- 15. At IMO, the specific shipping needs for SIDS and LDCs are highlighted as a priority in IMO's strategic plan, the *Capacity Building Decade 2021-2030 Strategy*, adopted by Resolution A.1166(32), covering four focus areas; namely, maritime safety and security, marine environment protection, maritime legislation, and facilitation of international maritime traffic.
- 16. Given the unique needs and challenges of SIDS, IMO has a specific programme of technical assistance through the Integrated Technical Cooperation Programme (ITCP) in the framework of a global program titled "Support to SIDS and LDCs for their shipping needs". The activities contained in the ITCP aim at strengthening Pacific SIDS and LDCs institutional, legal, managerial, scientific, and technical capacities to implement global regulations contained in treaty and non-treaty instruments adopted by IMO.
- 17. Having approved the establishment of the Pacific RPO, IMO considered adopting a strategy to guide its technical cooperation assistance to the Pacific region, thereby aligning its ambitions with the needs and priorities of its members in the Pacific region.
- 18. After careful consideration, it became evident that the new FATS framework and proposed IMO Pacific strategy share common goals of promoting sustainable maritime sector needs, priorities, and ambitions of PICTs in the context of the Blue Pacific. Given that the IMO Technical Cooperation intersects with many of the themes to be covered in FATS, combining the two strategies will respond best to the Leaders' call for an integrated approach. Additionally, developing a single strategy would not only minimise resource expenditure but also prevent duplication of efforts or confusion during its development and implementation.

19. Arguably, the proposal to develop a single regional framework on the maritime sector is a winwin for PICTs and IMO. PICTs win because they will develop and own the new strategy, use it to guide their maritime sector targeted actions at the regional and national levels, report on its implementation, and carry out future reviews.

- 20. Similarly, IMO wins because it will partner with PICTs to develop and co-own the new strategy lead by PICTs, use it to guide its ITCP assistance to Pacific SIDS and LDCs to assist them implement global regulations contained in treaty and non-treaty instruments adopted by IMO, contribute to reporting on the implementation, and future reviews of the framework.
- 21. Initial planning has opted for the use of the Futures Thinking Tool to develop the new framework or strategy. These will help to articulate the visions, goals, focus areas or themes for the new strategy. The SPC and IMO will lead the coordination of the process for PICTs to develop the strategy in collaboration with SPREP, other CROP agencies and Pacific stakeholders, regional and international development partners.

Recommendations

- 22. Transport Ministers are invited to:
 - a. commend the SPC and IMO for initiating and funding the review of the FATS and for exploring options for the development of new framework for sustainable maritime transport in the Blue Pacific;
 - b. **welcome** IMO's positive response to an earlier call by Transport Ministers to establish the Pacific RPO;
 - c. **commend** Australia, Fiji, Papua New Guinea, Solomon Islands, SPC and SPREP for their financial and in-kind support to that initiative;
 - d. **support** the proposal to develop a new comprehensive, flexible, and responsive framework focusing on the needs, priorities, challenges and emerging issues in the maritime sector in the Blue Pacific; with clear actions and targets focusing on digitisation, safety and security, technology transfer, climate change mitigation, institutional, legal, managerial, scientific, and technical capacity development to implement global regulations contained in treaty and non-treaty instruments adopted by IMO;
 - e. **request** SPC and IMO to take the lead to coordinate the process for PICTs to develop the new framework in collaboration with SPREP, other CROP agencies and Pacific stakeholders, and regional and international development partners, using Futures Thinking tools; and
 - f. **mandate** Transport Officials in PICTs to actively take part in the process of developing the new framework for a sustainable maritime sector in the Blue Pacific and to adopt it before the 6th PRETMM.

Date: 24 April 2023