

EU-PACIFIC GREEN-BLUE ALLIANCE

– Summary –

CONTEXT

- The Pacific region, home to around 13 million people including over 500,000 Europeans citizens, covers 14 Pacific Island countries (PICs), Timor-Leste and three French Overseas Countries and Territories (OCTs). The PICs control Exclusive Economic Zones (EEZs) extending to over 30 million km². While their land mass is small, they are often referred to as “large ocean states”. Despite important differences in geography, size, history, culture, economy, and political systems, all PICs and OCTs are sensitive to exogenous shocks and, in particular, extremely vulnerable to natural disasters and climate risks. The socio-economic impact of COVID-19 border closures has once again demonstrated the vulnerability of the region.
- The Green-Blue Alliance between the European Union and the Pacific takes account of the Pacific region’s specific challenges and builds on the shared ambition of the two regions for a low carbon and resilient global economy by 2050. It will be supported by the EU’s new NDICI/Global Europe Instrument as well as by a dedicated Team Europe Initiative (TEI).
- The Green-Blue Alliance proposes a framework at the crossroads between the European Green Deal and the 2050 Strategy for a Blue Pacific Continent. In line with the new post-Cotonou Pacific Protocol, it will bring the transformative power of the European Green Deal to the Pacific and strengthen the EU’s alliances with the region.

KEY AREAS OF INTERVENTION

The EU-Pacific Green-Blue Alliance focuses on climate action, resilience, and sustainable use of natural capital as the basis for inclusive and sustainable economic development in full respect of the rule of law, human rights and fundamental values.

The Green-Blue Alliance identifies key actions around two main pillars, aiming at:

- Mainstreaming and enhancing climate ambition and disaster risk management across all policies, including macro-economic and Public Finance Management (PFM); and
- Developing a stewardship model reconciling biodiversity, environmental protection and restoration with sustainable development, favouring economic growth, jobs creation, population well-being, as well as human rights, fundamental values, peace and security.

1. Climate Ambition, Resilience and Recovery

The Green-Blue Alliance will contribute to strengthening the underlying governance, policy planning and implementation mechanisms, which will form the basis for ambitious sustainable efforts both in terms of climate action, disaster risk reduction, ocean governance and environmental protection in the Pacific countries. Efforts will focus on the response to global warming.

- ***Climate Mitigation***

The Green-Blue Alliance will support countries to deliver on their international commitments, including through the implementation, review and enhancement of their Nationally Determined Contributions (NDCs) under the Paris Agreement, as well as by establishing adequate Monitoring, Reporting and Verification (MRV) systems. Key policy reforms and investment needs will also receive direct support, in particular in the areas of renewable and efficient energy use as well as sustainable and smart mobility.

- ***Climate Adaptation and Resilience***

The Green-Blue Alliance will support countries to develop, review and implement National Adaptation Plans (NAPs), as well as to integrate Climate Change and Disaster Risk Management (CCDRM) into their regulatory and institutional frameworks. Strengthening inter-governmental

coordination across different Ministries and levels of government (national, provincial and local/community) will also be essential.

- ***Public Finance Management (PFM)***

The Green-Blue Alliance will ensure that macro-economic, fiscal and PFM policies are aligned with, and conducive to, achieving the climate objectives. Improved preparedness and capacity to reduce risks will be essential, but also the capacity to recover quickly in case of severe events. Therefore, the Green-Blue Alliance will support countries to enhance financial resilience, to transition to risk-informed investment planning and budgeting, as well as to strengthen PFM systems. This will include increasing fiscal resources, promoting digitalisation and e-governance, creating or expanding contingency financing, improving access to and effective use of climate finance, and improving institutional arrangements for risk management and post-disaster response.

2. Inclusive and Sustainable Economic Development

The Green-Blue Alliance will support actions that create opportunities for income, jobs and growth, while at the same time contributing to climate and environmental goals as well as economic diversification and resilience. Such Green & Blue Growth can only be achieved with due respect for human rights and fundamental values, which will therefore also receive appropriate attention.

- ***Green & Blue Growth***

Due to the peculiar geographical situation of countries in the Pacific, the health of the Pacific Ocean and related ecosystems will be crucial for the long-term development prospects of the region. The development of growth opportunities therefore needs to be accompanied by actions to support comprehensive and integrated ecosystem management addressing all environmental stress factors, both land- and water-based, ensuring the restoration of biodiversity and expanding the use of nature-based solutions, thus providing environmental and resilience benefits.

The Green-Blue Alliance will support green & blue growth by promoting sustainable agri-food systems (in particular to the benefit of local livelihoods from ocean and coastal resources), eco-tourism, e-business and digital solutions, and other economic activities that contribute to the greening/blueing of the economy. Actions will aim at reducing the impact on the environment caused by human activities on land and at sea, as well as at supporting the transition to a circular economy.

Sustainable and comprehensive measures to improve access to water and sanitation and to prevent and address pollution will also be supported in order to better protect ecosystems and people. Additional measures may improve the business and investment environment and support the development of new skills needed in a sustainable economy.

All development efforts need to be embedded in good economic governance, ensuring budget transparency and accountability, including good tax governance as well as the fight against corruption, money laundering and terrorism financing.

- ***Human Rights, Fundamental Values, Peace and Security***

In line with the EU Action Plan on Human Rights and Democracy 2020-2024, the Green-Blue Alliance will advance universal values such as strengthening of democratic institutions, the rule of law and protection of human rights, including in the education and TVET sectors. In line with the ambitions set by the new EU Gender Action Plan (“GAP III”), promoting gender equality, tackling the widespread problem of violence against women and children and creating an enabling environment for civil society will also be important priorities for EU cooperation in the Pacific region.

INTERVENTION MODALITIES

The implementation of the Green-Blue Alliance will combine regional, multi-country and national approaches, while emphasising ownership at national level and ensuring capacity building in the countries of the region.

The investment needs of the Pacific to achieve its climate and development objectives exceed by far the public funding and development grants available to the region. Using a combination of budget support programmes, technical assistance and investments, the Green-Blue Alliance will not only drive the design and adoption of policies and legislation, but will also provide incentives and support for their implementation.

The expected intervention modalities are therefore as follows:

1. *Budget support contracts to support policy development and implementation* of framework policies or sectoral policies on climate and resilience, including areas such as energy, water and sanitation, ocean management and coastal management, and biodiversity.
2. *Capacity building and technical assistance* delivered through dedicated country and multi-country programmes providing long-term support, or through regional technical facilities providing demand-driven, punctual support.
3. *Large-scale comprehensive projects supporting the implementation of sectoral strategies or initiatives* that may combine technical support with investments and community-level engagement, implemented through international organisations, civil society organisations or through multi-donor platforms.
4. *Support for blended finance investments through grants, guarantees or technical assistance*, promoting private/public partnerships and mobilising private investments in sustainable/resilient infrastructure or promoting circular economic models.