



COOK ISLANDS JOINT COUNTRY STRATEGY (JCS) 2008-2017

INFORMATION PAPER

Introduction

The current Development Assistance Strategy between the Cook Islands, New Zealand and Australia expires in December 2007. During high level talks in April 2005, the Cook Islands government (CIGov), New Zealand (NZAID) and Australia (AusAID) agreed to develop a Joint Country Strategy (JCS) for the Cook Islands covering 2008 – 2017.

The JCS steering group, based in Rarotonga and led by the Cook Islands Government, have drafted a new strategy to guide New Zealand and Australia's development aid programme to the Cook Islands from 2008 to 2017.

On behalf of the JCS steering group, NZAID has distributed the draft Cook Islands Joint Country Strategy within New Zealand to relevant government departments and other organisations with an interest in Cook Islands Development.

This information paper provides an introduction to NZAID's assistance to the Cook Islands and an overview of the new Joint Country Strategy.

What does NZAID do?

NZAID is New Zealand's international aid and development agency, responsible for managing the government's assistance to developing countries.

NZAID's work targets poverty reduction. This means helping people in poor communities to better meet their basic needs; participate more fully in the life of their country (including economic, political and community activities); and be less vulnerable (so better able to cope with the impact of natural disasters like cyclones, or man-made challenges like economic downturn.)

One of our fundamental principles is operating in partnership with the Government and communities in countries where we work.

Cook Islands development challenges

The Cook Islands has achieved a high level of development, by Pacific standards.

But the well being of Cook Islanders remains at risk. The Cook Islands has a narrowly-based economy which is vulnerable to external risks. Resources and opportunities are not shared equally across the country. Many communities have very limited access to government services or opportunities to earn a living, because of isolation and limited capacity.

The Cook Islands Government and community groups suggest “poverty” as such does not exist in their country. But they do recognise the existence of pockets of hardship where community members have limited opportunities to engage in paid employment and limited access to basic public services, such as health, education, water supplies, transport and communication services. These pockets of hardship are more common in the outer islands, where there are very under-developed private sectors, so little economic activity and opportunities to earn an income.

The high rate of migration overseas continues to undermine the Cook Islands’ human resources and private sector development. Within the Cook Islands, migration to the urban centres reduces the resources of the outer islands. While there is economic growth on Rarotonga and Aitutaki, the remaining islands do not enjoy the same level of prosperity. Communities on the outer islands also do not achieve the same educational results or enjoy the same access to health services, as those on Rarotonga and Aitutaki.

The Cook Islands Government faces a major challenge in meeting the needs of its outer islands communities, as well as supporting the main centres of Rarotonga and Aitutaki, where most of the country’s economic growth is generated.

Cook Islands Government plans for the future

The Cook Islands Government has prepared a vision for future development through to 2020, called *Te Kaveinga Nui – Living the Cook Islands Vision*. It has also prepared a more specific development plan for the period 2007 – 2010, the *National Sustainable Development Plan* or NSDP. NZAID’s new Strategy for the Cook Islands programme is based closely on these two documents as well as NZAID policy.

Te Kaveinga Nui’s vision is summed up as the following:

To enjoy the highest quality of life consistent with the aspirations of our people, and in harmony with our culture and environment.

The NSDP has eight priority areas for Cook Islands development, focussing on:

- Supporting equal access to health, education and other social services;
- Promoting law and order, and good governance;
- Promoting economic growth, led by the private sector;
- Supporting sustainable use of natural resources and the environment;
- Strengthening the country's infrastructure, transport and utilities;
- Promoting safe, secure and resilient communities;
- Ensuring effective foreign policy; and
- Strengthening national development planning.

Both *Te Kaveinga Nui* and the NSDP were based on comprehensive community consultations in the Cooks.

The new Joint Country Strategy (JCS) for the Cook Islands Programme

The new Strategy being developed for the Cook Islands programme includes development assistance from the Australian and the New Zealand Government. New Zealand and Australia both provide funding to a joint aid programme in the Cook Islands, which is managed by NZAID on Australia's behalf.

Te Kaveinga Nui and the NSDP cover a large number of sectors and areas. NZAID and AusAID believe it is important to target their aid programme to areas of greatest need where the biggest impact can be achieved. In consultation with the Cook Islands Government, the strategy identifies the priority areas for the new Strategy in consultation with the Cook Islands Government and with reference to the priorities of *Te Kaveinga Nui* and the NSDP.

The new Strategy for the NZAID/AusAID programme aims to reduce the Cook Islands' vulnerability and increase its resilience.

Strategy Goal

The Goal for the Strategy reflects the goals of *Te Kaveinga Nui* and the NSDP:

To contribute to building a sustainable future that meets the social and economic needs of the Cook Islands, particularly the outer islands.

Strategy priority areas

Under the new Strategy, New Zealand and Australian development assistance will focus on work in the following four areas:

- **Investing in people** – support for education, health and social services
- **Good governance** – strengthening the public sector and civil society
- **Sustainable livelihoods & economic growth** – promoting economic development and income-earning opportunities

- **Infrastructure** – supporting infrastructure development as a foundation for economic growth and service delivery.

(1) Investing in People

Education

In this area, New Zealand and Australia will continue their support to primary education, supporting better planning and management (including financial management) across the whole basic education sector. Delivery of education services to the outer islands will be a focus, as well as improving teacher quality and supply. The aid programme will also continue to support post-secondary training and tertiary education for Cook Islanders, through scholarships and short-term training programmes.

Health

The joint programme will continue to fund visits by medical specialists to the Cook Islands, in the short term and, over the medium term, further support to the health sector will be considered.

(2) Good Governance

Public sector

Australia and New Zealand have been supporting improvements to financial management, auditing, policy planning, legislative reform and policing in the Cook Islands public service. Assistance to the public service will continue under the new Strategy, on the basis of a clear framework for public service reform.

Civil society/community groups

New Zealand and Australia will also continue their support for civil society under the new Strategy, with an impact study to be done on current assistance, which will help determine the nature of future support. In the short term, the existing Small Grants Scheme, core funding to the National Council of Women and the Cook Islands Red Cross, and support for the National Disability Strategy, will continue.

(3) Sustainable Livelihoods & Economic Growth

The current development programme has been supporting strengthening of the fisheries sector, outer islands infrastructure development, and the small and medium enterprises (SME) sector. Future support in this area will be guided by the Cook Islands National Economic Development Strategy.

(4) Infrastructure

Under the new Strategy, the joint programme will continue to provide funding for the Cook Islands Government's Infrastructure Master Plan. NZAID is also funding the Cyclone Recovery and Reconstruction Plan.

Other NZAID & AusAID assistance to the Cook Islands

In addition, AusAID and NZAID fund a number of regional projects which benefit the Cook Islands and address issues of concern to the whole region. NZAID's regional programmes cover the areas of education; health; governance and economic growth and will receive NZ\$39.4 million in funding in 2007/08.

For example, in the education sector, New Zealand and Australian funding for the Pacific Regional Initiative for Development in Education (PRIDE) helps the Cook Islands education system. In the health sector, funding for regional projects covers issues such as the maintenance of medical equipment, immunisation, HIV/AIDS, and reproductive health and family planning, all assist the Cook Islands as well.

In addition, NZAID is the largest single donor to regional organisations which help Pacific nations in many ways. For example, NZAID funds the Secretariat of the South Pacific (SPC) which provides expertise and help in the fields of land, marine and social resources; the Pacific Islands Forum Secretariat which provides policy advice and promotes regional cooperation, especially on trade and economic matters; the Forum Fisheries Agency which helps its members to productively and sustainably manage their fisheries; and the University of the South Pacific which provides higher education and vocational training. Regional organisations will receive NZ\$24.55 million in funding in 2007/08.

Monitoring the Strategy

The new Strategy will be reviewed in its third year of operation. Prior to that, NZAID, AusAID and the Cook Islands Government will develop a joint framework for checking on progress, identifying any road-blocks, and putting lessons learned into practice.

Funding for the Strategy

Both New Zealand and Australia's annual funding for all aid programmes is subject to parliamentary approval. The current allocations for the joint programme are NZ\$9 million from New Zealand and A\$2.6 million from Australia. Funding levels are expected to remain at similar levels under the new Strategy.
