Remarks by Pacific Islands Forum Secretary General, Mr Henry Puna at the Opening of the 2022 Pacific Regional Debt Conference, 5 April 2022

Salutations:

- The Chair of the Pacific Islands Finance and Economic Ministers Meeting, the Honourable Minister of Finance for Tuvalu, Mr. Seve Paeniu;
- The Co-chair of the Coalition of Ministers of Finance for Climate Action and Minister of Finance of Indonesia, Hon. Ms. Sri Mulyani Indrawati;
- Honourable Finance Ministers;
- Forum Dialogue Partners and Observers
- The UN Deputy Secretary General, Ms. Amina Mohammed;
- The UNESCAP Executive Secretary, Ms. Armida Salsiah Alisjahbana;
- CROP Heads;
- Regional Private Sector, Civil Society Organisations and youth representatives;
- Excellencies.

1. Bula vinaka, Kia Orana and greetings to you all.

2. I welcome you all to the 1st Pacific Regional Debt Conference (PRDC) mandated by the Pacific Island Forum Economic Ministers. This inaugural Regional Debt Conference is intended to provide a platform for open and frank exchanges, between Forum Island Countries, creditors and development partners. The intent of the conference is to share information and discuss issues related to debt and financing solutions. We need innovative solutions to address the unprecedented economic and financial shocks and social impacts of COVID-19.

3. I take this opportunity to thank UNESCAP for their support in co-hosting this important talanoa. It is my hope that the dialogue, and sessions on the Pacific’s debt situation will come up with innovative solutions, in particular, what our partners can offer in terms of additional development financing solutions. This will help us chart our economic recovery policies and strategies moving forward.

4. I also take this opportunity to thank our Conference co-convenors, Fiji, the Chair of the Pacific Islands Forum, and Tuvalu, the Chair of the FEMM. Fiji and Tuvalu have been instrumental in climate finance efforts for the region. Our discussions at this Conference on innovation in climate and debt financing, as well as loss and damage, will be vital as the Pacific prepares for COP27. Our strength as a region has always been our solidarity and our commitment to acting collectively to address our biggest challenges!

5. I wish to also acknowledge our multi-lateral and bi-lateral development partners - you are critical to the success of this Conference. Your presence is no doubt a strong signal of support for this Pacific-led approach to economic recovery. As members consolidate budgets and fiscal resources, and share experiences and insights, we hope that your continued funding and support will also assist us through this crisis. On that note, I take this opportunity to thank you all for your ongoing and future support.
6. This conference is not about ‘debtors and creditors’! We are all in this together, we are in the same canoe. I hope we can all work together and support each other because the ability of our small members to meet their debt obligations is also in the interest our lenders.

7. Excellencies, this Conference is set against the backdrop of the recent Debt Sustainability Assessments of the International Monetary Fund. The assessment stated that a number of Pacific Countries are at a high level of debt distress due to COVID-19. Needless to say, the prevalence of natural disasters and climate-related events deepens the cycle of government budget deficits and exacerbates debt distress across the region.

8. Therefore, innovation, agility, adaptability and transformation are key agents to thriving in this new normal. As Pacific Islanders, we all prepare for the ‘change in seasons’, we prepare for the ‘rainy days’. In our current context, these ‘rainy days’ will happen more frequently and we will have to dig deeper each time to recover. This continuing cycle of response and recovery is driving our debt levels up. Thus we need more risk-centred approach to economic recovery and build resilience into our economies and financial system as a result of this crisis!

9. A key innovation by the Pacific in this regard is the Pacific Resilience Facility (PRF). I am pleased to inform this conference that we are working with the former prime minister of New Zealand and former head of UNDP, Ms Helen Clark who has pledged her support for the PRF. We are also considering debt swaps as an innovative mechanism and look forward to sharing of experiences with the Caribbean and Indian ocean regions.

10. Given the urgency of the prevailing situation and the need to build consensus with our development partners, your presence during this Conference demonstrates our collective commitment to the pursuit of urgent and meaningful solutions that are fit for purpose in these unprecedented times. With your support, we are confident that we will address the Pacific's urgent needs while providing a transformational vision for economic recovery for the region in the face of current global geopolitical and economic uncertainty.

12. I wish you all a very fruitful and successful deliberations over the next 4 days and I look forward to the outcomes of this very important conference.

13. I thank you.

Pacific Islands Forum Secretariat
4 April 2022