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# Looking through a Pacific Islands lens: Access, accountability, and alignment in global engagements

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**REPORT**

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# LOWY INSTITUTE



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Cover image: Islanders in outrigger canoes selling tropical fruits off  
Dobu in the Solomon Sea, Papua New Guinea (Chris Caldicott/Design  
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# Executive summary

The most pressing development and security challenges facing the Pacific Islands are rooted in domestic concerns about economic resilience, law and order, corruption, and the escalating impacts of climate change. Viewed from the Pacific, geopolitical rivalries open development opportunities, but they also magnify governance weaknesses. The sharp increase in global aid and interest in the Pacific Islands is straining limited government capacity in the region.

The findings of this report are drawn from interviews with more than 150 Pacific Island leaders from government, civil society, and business, canvassing the impacts of geopolitics on governance, development, and security. The research explores three main questions: What are external engagements and agreements delivering? Who is benefiting? How can Pacific Island countries better shape the engagement agenda?

Despite Western concerns about geopolitics and changing power dynamics in the region, the Pacific Islanders consulted were focused on national development and security, and ways to better manage external engagement. Increasing external engagement has intensified resource competition among government agencies, tiers of government, and between government and civil society.

In all countries canvassed as part of this project (Fiji, Federated States of Micronesia, Palau, Papua New Guinea, Solomon Islands, Tonga, and Vanuatu), three imperatives for better managing external engagements permeated our consultations: greater accountability, both domestically and between donors and recipients; stronger policy and priority alignment across sectors and partners; and better collaboration and connectivity between regional, national, and local stakeholders.

There are concerns that geopolitical competition can lead to the prioritisation of external agendas over those of Pacific Island countries. The antidote is more local involvement on activity design, implementation, and evaluation, stronger inclusion of civil society for accountability, and better alignment with local policies and governance systems. These are not new ideas, but still inadequately addressed. There is also a pressing need to reduce information asymmetries between local and external players, for example in opaque funding mechanisms, investment pipelines, and digital opportunities and risks. Power and information asymmetries limit who benefits from engagement and what gets delivered.

Regional intergovernmental agencies have a critical role to play. The current review of Pacific Islands' regional architecture could do more to streamline activities, prioritise engagements, and strengthen member and sub-regional connectivity, particularly for transnational issues such as climate change and organised crime.<sup>1</sup>

*“Regional agencies should be the connective tissue across the region, for relationships and resources.”*

— Pacific politician

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# Introduction

*“Great power politics are shaping our foreign policy; it should be the reverse.”*

— Senior Pacific Islands official

Geopolitical rivalries in the Pacific Islands region bring new development opportunities, but also expose and potentially magnify governance weaknesses. The influx of foreign assistance and interest has highlighted the region’s global strategic importance, yet it often leads to concerns that external priorities are dominating local ones. Pacific Island countries face the difficult task of balancing the benefits of this attention with the risks it may pose to sovereignty and accountability.

The geopolitical landscape in the Pacific is increasingly being reshaped by traditional and new regional partners — Australia, China, New Zealand, Japan, and the United States — as well as growing engagement by multilateral development banks.<sup>2</sup> The competition among them has created a dynamic environment in which Pacific Island countries hedge major power interests to maximise political and development opportunities while avoiding overdependence on any single strategic actor. Despite the increased financial support, poverty is increasing, and many sustainable development goals remain unfulfilled.

New policy frameworks, such as the 2050 Strategy for the Blue Pacific Continent, aim to align development strategies across the region with national priorities, enabling clearer pathways for sustainable growth. Pacific leaders acknowledge that internal governance systems must improve to effectively harness the influx of foreign investment and aid.

*“Geopolitical engagement is only as good as we make it. Pacific Islands people need to take ownership of their own development, hold ourselves to account, and lead from the front.”*

— Oliver Nobetau, FDC Pacific Fellow, Lowy Institute, Geopolitics: Pacific Perspectives Panel, State of the Pacific 2024, ANU<sup>3</sup>

The findings in this report derive from extensive consultations, including semi-structured interviews, small-group discussions, and workshops conducted with more than 150 participants across seven Pacific countries (Federated States of Micronesia, Fiji, Palau, Papua New Guinea, Solomon Islands, Tonga, and



Vanuatu) between 1 July 2023 and 1 December 2024. Consultations were also held in New Zealand.

The participants included government officials, civil society leaders, and business representatives. All provided insights on the impacts of geopolitical competition on governance, development, and security.

Their perspectives are categorised into five key thematic areas:

- Putting national interests first
- Strengthening domestic systems
- Integrating local security and development priorities
- Addressing information asymmetries
- Managing the risks and rewards of regionalism

Three cross-cutting imperatives for better managing geopolitical competition emerged: greater accountability (both domestically and between donors and recipients); stronger alignment of policies and priorities across sectors and with partners; and better collaboration and connectivity between local, national, and regional initiatives.

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# Putting national interests first

Geopolitical competition has increased Pacific countries' bargaining power. There are more foreign donors operating in the Pacific Islands than ever before. In our interviews, Pacific leaders emphasised the need to navigate this environment via flexible partnerships based on mutual benefit rather than allegiance to a single power. This allows Pacific countries to pursue development goals while better safeguarding their sovereignty.

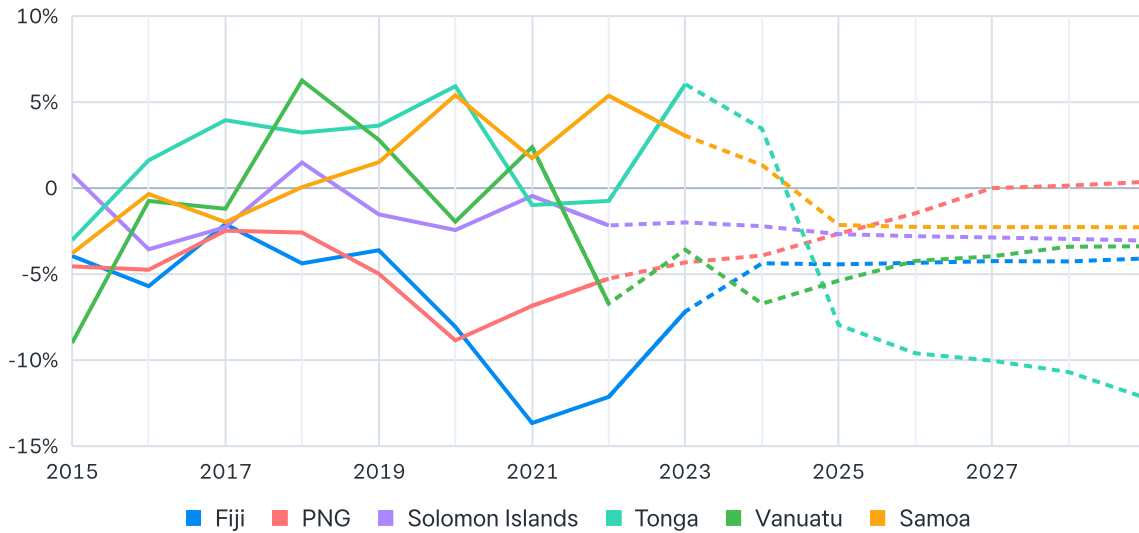
## Multipolar world

*“The rules-based order is under threat. In this period of geopolitical competition, diverging great-power interests are straining regional unity and regional systems. The risk of miscalculation is great, and it will be the Pacific that suffers.”*

— Pacific Islands national security senior official

Pacific leaders understand geopolitics is now multipolar, with great powers competing for influence. They also recognise that choosing sides in this competition limits options. Pacific Island countries are keeping the door open for economic opportunities to recover from Covid and climate impacts, open new markets, and pay down debt. Currently, seven countries in the region are at high risk of debt distress (Kiribati, Marshall Islands, Papua New Guinea, Samoa, Tonga, Tuvalu, and Vanuatu), while seven are at moderate risk (Cook Islands, Federated States of Micronesia, Fiji, Nauru, Niue, Palau, and Solomon Islands).<sup>4</sup> Government spending routinely exceeds revenues in most Pacific Island countries (Figure 1).

Figure 1  
**Fiscal imbalance: Government spending exceeds revenue in Pacific Island countries**  
 % of GDP



Source: IMF WEO Note: Dotted lines show estimates

The desire to be “friends to all, enemies to none”, is often voiced. For most consulted, this means asserting the sovereign right to advance national interests with partners who deliver the quantum and quality of help desired, typically in high-need areas such as infrastructure, health, and education.

*“There is too much ‘either/or’ pressure ... we accept assistance that best serves our national interests.”*

— Pacific Islands executive officer

Offers of assistance are often judged in relation to speed, scale, and fit with context. Some of those interviewed outside of politics felt choices are also made to advance personal or partisan political interests, potentially leading to corruption and weakened governance, for example when members of parliament accept projects or finances to win favour in electorates, or bilateral deals are done to secure support in international forums, such as the UN General Assembly.

### Accountability loopholes

The rapid influx of foreign aid often strains local bureaucracies, exposing weaknesses in accountability. Leaders in several countries, including Solomon

Islands, voiced concerns about the transparency of foreign agreements. For instance, with more than 15 memorandums of understanding signed between Solomon Islands and China, there are growing worries about the lack of public knowledge and oversight regarding these agreements.

*“No accountability, no transparency ... we know nothing about how much is in those agreements, and the terms and conditions.”*

— Ruth Liloqula, Transparency International Solomon Islands, State of the Pacific 2024, ANU<sup>5</sup>

Concerns about accountability are not unique to any single donor or country. Across the Pacific, the need to accommodate foreign visits and align with external timetables often results in rushed agreements that can undermine transparency.

*“I am a Minister, but I do not have visibility over everything happening [with different donors] in my portfolio.”*

— Solomon Islands Minister

Accepting most offers, sacrificing policy alignment, and limiting public consultation can lead to inefficiencies and lost opportunities for more meaningful development outcomes.

*“Everything is a priority, and so nothing is a priority. We need a way to prioritise, to conduct a cost-benefit analysis [on options]. What are the returns on different investments?”*

— The Hon Lord Fatafehi Fakafanua, Tongan Member of Parliament and Parliamentary Speaker<sup>6</sup>

Traditional processes for managing aid — where foreign assistance is directed through a centralised foreign ministry — are at times bypassed, adding to accountability issues. Today, multiple ministries and agencies enter into bilateral agreements, creating a complex network of projects that can obscure a clear view of ongoing initiatives and reduce effective oversight.

*“In the past, it was very clear that all assistance goes through the foreign service, but the [donor] pressure has blurred understanding about central communications and processes. Processes are not followed as systems are overwhelmed.”*

— North Pacific Executive Officer

Some argue that major powers are accepting less accountability for fear that high standards will create an opening for rivals who are less rigorous. In the North Pacific, the renewed Compact of Free Association (COFA) agreements have fewer oversight mechanisms for activity design, feasibility, and management. The reduction in external oversight was a response to requests by local leaders wanting to reduce parallel accountability systems, but some government and community officials worry that spending choices could be politicised or weakly monitored by over-burdened local systems. Similarly, the increase in budget support in many Pacific Island countries provides greater flexibility but could reduce accountability if domestic oversight is weak.<sup>7</sup>

The push by the Pacific Islands Forum (PIF) and multilateral development banks for quality infrastructure principles to accelerate local inclusion and improve development outcomes was well received and is yielding results. Even so, quality control needs more local monitoring and accountability to ensure priority areas are addressed.

*“If we are going to have ‘locally led’, then we need [Pacific Islands] people with strategies for advocacy and awareness to hold others to account.”*

— Pacific Islands NGO senior official

## **China: Filling gaps or sidestepping accountability?**

Chinese engagement can mitigate aid dependencies on traditional partners and diversify options. It is an important “gap filler” for infrastructure investment, resource exports and, recently, direct provincial and community financing where central government and Western donor activities are lacking. Many interviewees claimed Chinese partners “listen to what we want and deliver quickly”.

However, “gap filling” generates its own issues. Beijing is accused of sidestepping national processes and courting local and traditional leaders. In Solomon Islands, most aid goes through the Ministry of National Planning and Aid Coordination, but Beijing has a special unit inside the prime minister’s office with far less accountability.<sup>8</sup> In the North Pacific:

*“China goes directly to communities now ... they fund traditional chiefs, schools, gymnasiums, youth programs — they look for gaps and fill them.”*

— North Pacific member of parliament

There is growing unease about this uncoordinated “jumping over” central government agencies and processes.

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# Strengthening domestic systems

Pacific stakeholders recognise the need for strong governance structures to manage foreign engagements effectively. Both Papua New Guinea (PNG) and Fiji are working on policies to better articulate their national priorities, though there are challenges in putting these policies into practice.

*“We need to get our own house in order before we worry about outsiders.”*

— Pacific Islands senior official

Strengthening governance frameworks involves promoting transparency, accountability, and coordination across sectors. Fiji’s National Development Plan, along with its National Security Strategy and Foreign Policy White Paper, demonstrate the government’s commitment to a unified approach to foreign aid management. These policies aim to direct aid towards clear national priorities and address risks that come with misaligned policies.

In PNG, the implementation of the Independent Commission Against Corruption (ICAC 2020) law illustrates ongoing efforts to address systemic corruption. However, a senior PNG official noted that policies alone are insufficient without active institutional support to enforce them.

*“You can have very good laws, but if no one has the incentive to implement them, they are just words on paper.”*

— PNG senior official

This need for robust governance resonated across the region. While governance frameworks are improving, fragmentation persists, as do deficits in political will and resources to create meaningful change.

*“Internal links are broken. The first order of priority is strengthening internal processes and institutions.”*

— Pacific political representative

## Improving performance

Beyond establishing policies, most emphasised the importance of programs that foster local capabilities. Capacity-building initiatives, when tailored to meet local needs, have been instrumental in building professional skills, promoting trust, and enabling Pacific leaders to respond effectively to new challenges. The Australian Canberra Fellowship Program, mentorships in the media sector, and education and public sector partnerships with countries such as New Zealand, are valued. These institutional partnerships bolster administrative capacities and empower local leaders to take greater ownership of their development agenda. Pacific participants also want partners to work with them on new challenges and evolve engagements:

*“We keep getting the same old education programs and generic learning, but it is not addressing some of the most pressing problems.”*

— Pacific Islands government official

Long-term, sustained relationships are particularly valued, especially those that support local leadership, change management, and co-design principles. Programs such as the “Balance of Power” initiative implemented in Fiji, Tonga, and Vanuatu, focus on leadership development and include underrepresented groups in decision-making.<sup>9</sup> Several participants referred to its positive impacts for promoting leadership skills that align with local cultural values. Such programs enable leaders to challenge existing power dynamics and address governance issues from within.

*“[This training] has already brought more light into the Tongan mindset to bring something useful for the future.”*

— Tongan government official

External requirements adapted to local contexts can also add value. Gender, Equality, Diversity, and Social Inclusion (GEDSI) requirements of multilateral and bilateral partners “have achieved change where nothing happened for decades despite strong [local NGO] lobbying”, according to participants at a non-governmental organisation (NGO) workshop.

In addition to public sector initiatives, many leaders expressed a need for greater private sector engagement. By fostering trade partnerships, promoting foreign investment, and incentivising local businesses, Pacific governments can work towards economic self-sufficiency and reduce dependency on foreign aid.



*“Private sector investment will help us stand on our own two feet. We need more support for business partnerships and foreign investment — otherwise it is all too lopsided with aid.”*

— Pacific Islands member of parliament

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# Integrating local security and development priorities

Security and development are intertwined. At the 2024 Pacific Regional and National Security Conference, leaders discussed threats such as climate change, cybercrime, and transnational crime. Fiji Prime Minister Sitiveni Rabuka emphasised the importance of regional unity, advocating for a Pacific-led approach to tackling these shared challenges through frameworks such as the Boe Declaration on Regional Security. This resonated with many consulted.

*“Together, Pacific Island countries exercise authority over a large part of the globe. Peace should be the cornerstone of all our policy and strategy.”*

— Pacific Islands national security official

## The national security and development nexus

Discussions stressed the need for regional security integration and a Pacific-defined security agenda, with a focus on peace, regional cooperation, and self-determined strategies. Security agreements are part of a larger development landscape.

*“Aside from the national security benefits [of security agreements] there should also be other development benefits enhanced over time.”*

— PNG senior official (referring to Australian and US defence agreements)

Many felt the dominant security narrative coming from external partners still failed to engage with human development.

*“We have a softer concept of peace and security — climate change, health, education, not so much on policing and defence.”*

— Former small island state government executive

Development partners frequently refer to key regional security policies such as the Boe Declaration and the 2050 Strategy, but many felt this was merely “blue washing” — narrative alignment without values and policy realignment.

PNG pushed for compromises during negotiations on their security agreement with the United States to address local security and development priorities, including for infrastructure, employment, and humanitarian assistance. This was challenging due to the constraints of standardised US-initiated defence agreements. Despite making gains, many still worried that PNG sovereignty could be sacrificed to secure the benefits of enhanced maritime surveillance, law enforcement support, and infrastructure investments.<sup>10</sup>

## Resilience and the climate competition

Climate is the greatest security and development challenge for the region, yet access to climate finance remains a significant barrier.

*“Global Environment Fund (GEF) requirements would be impossible without regional agency support and understanding of complex processes. It would be useful if the GEF and the Green Climate Fund (GCF) used the same formats for access and reporting — complexity can become an opportunity cliff ... Everyone is trying to meet their [GEF and GCF] hurdles, but they keep moving the hurdles.”*

— Pacific Islands government official at regional meeting

Many civil society actors pointed out that international climate finance frequently failed to reach grassroots organisations.

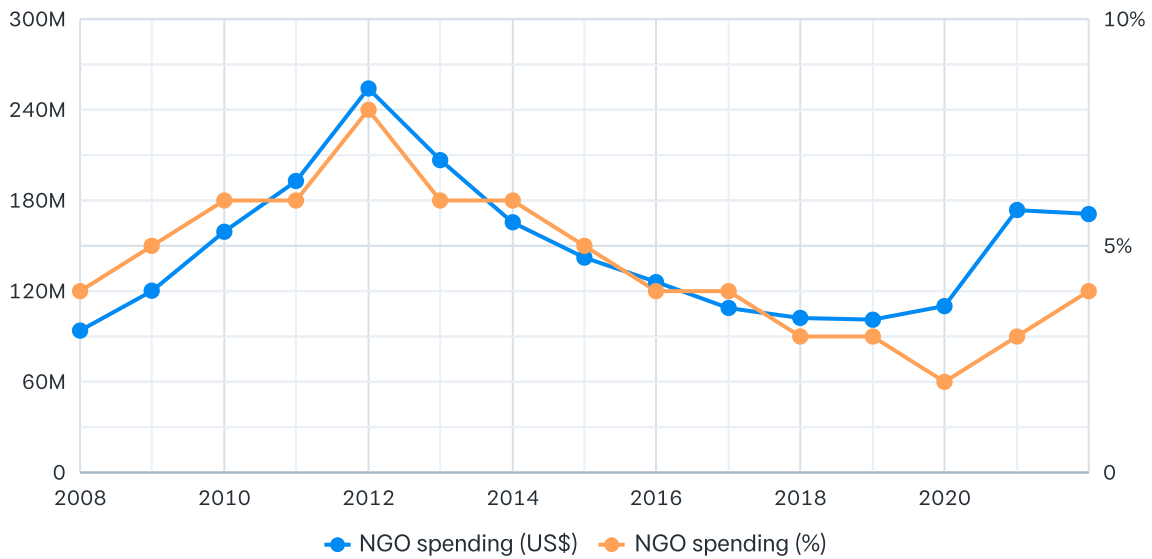
*“We need forward partnerships: connections to village officers, pre-supplied evacuation points, mental health services, and youth programs that deal with problems early.”*

— Pacific Islands educator and youth worker

The effectiveness of resilience-building efforts at the community level, where engagement and local knowledge are critical, requires better connectivity between levels of government and development partners. Local women’s groups who play key roles in delivering health and gender-based violence services also raised concerns about funding mechanisms that either exclude them because requirements are too onerous, or because core staff funding is not available and is vital for their operations.

The Lowy Institute Pacific Aid Map indicates that aid to NGOs has declined since 2012 (Figure 2). This is consistent with other reports.<sup>11</sup> Targeted assistance programs such as the recently announced \$35-million Australian Civil Society Partnerships Program is a step to redressing this gap.<sup>12</sup>

Figure 2  
**Official development finance declining for NGOs working in the Pacific**  
 Constant 2022 US\$



Source: Lowy Institute Pacific Aid Map, 2023

Note: As a proportion of aid, finances to NGOs have gone from a high of 8% (2012) to a low of 2% (2019 – Covid). In 2022 it was approximately 4%. With the steep increase in overseas development finance for infrastructure, the proportion of aid secured by NGOs could fall further. ODF to NGOs is not well recorded in aid data audits so these are indicative figures only.

In addition to funding and accessibility issues, humanitarian responses are often competitive, not cooperative. National disaster management offices are frequently forced to manage geopolitical competition among rivals jostling to be the first or critical responder, even though what is needed is responders able to work with others.

*“Climate change should be the one area where all can cooperate, but that is not happening yet.”*

— Pacific Islands regional agency senior official

## Transnational problem solving

In every country we visited, a key transnational problem, beyond climate change, was organised crime, in particular escalating drug trafficking. Although the drug trade targets lucrative markets such as Australia, Asia, and the United States, drug dealing is locally devastating as addiction rates climb.

Adding to domestic crime pressures are criminal deportees from Australia, New Zealand, and the United States. Criminal deportees often have active networks,

which they use to establish local chapters in their destination countries, effectively feeding criminal syndicates' transnational links throughout the Pacific. In countries such as Tonga and in the North Pacific, there are strong concerns about the lack of support for reintegration and management by sending countries.

*“There are no reintegration programs. Those criminals that come back walk freely, there are no systems, no controls, no funds, no help. How can that be right?”*

— Pacific Islands civil society executive

Another transnational issue is labour mobility. The expanding labour mobility schemes in Australia and New Zealand are yielding national and regional benefits, but concerns were raised in every country. Many worried about local labour shortages, worker rights, and equitable access to programs. The drain on skills is being acutely felt in Fiji, the North Pacific, and Tonga. Most argued for better support from pre-departure to reintegration, better regulation, and more consideration of incentives for migration that was temporary and cyclical, rather than permanent.

Few wanted to stop mobility but most wanted more engagement in program design and evaluation. Some queried if regional labour mobility could be expanded beyond the one-way flow to large economies. For example, interviewees in Palau suggested measures to encourage movement within the North Pacific to address tourism labour shortages, and some in Melanesian states proposed more migration from countries with high unemployment to countries needing workers, such as Fiji. Many thought Australia and New Zealand could invest more to enhance Pacific-based skills and reduce the negative impacts in Pacific Island countries, particularly brain-drain and labour shortages.

Finally, in relation to transnational pressures, study participants highlighted the rapid pace of digitalisation and technological advancement. Child exploitation, scams, money laundering, ransomware, and disinformation were seen as major threats requiring stronger national legislation and enforcement. Achieving success requires trusted partnerships to combat current threats while building capacity for Pacific-based management in the future. Some Pacific cyber experts advocated for a regional cyber forensics hub to build capacity, support prosecutions, and share cyberattack information.

There was also support for international efforts such as the Budapest Convention on cybercrime, and regional initiatives, including the Pacific Islands Law Officers' Network (PILON) and the Pacific Cyber Security Operational Network (PaCSON).

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# Addressing information asymmetries

The asymmetry of information between Pacific Island countries and their development partners and commercial investors limits productivity and leads to inequitable outcomes. Respondents raised disparities in information related to technical knowledge, market opportunities, and legal requirements to access markets. Senior officials worried that their political leaders did not always fully understand the implications of the agreements they signed.

Opportunities have been missed due to the impenetrable nature of large foreign bureaucracies. Greater transparency of aid investment pipelines and development partner access points could enable government agencies, local businesses, and NGOs to access more development opportunities. Work by the Asian Development Bank to provide greater visibility of their investment pipeline could create a model for an expanded facility accessible beyond contractors to community and government groups.

Other issues raised were incomplete understanding and information concerning transnational financial services, and environmental and social protection tools.

*“If the World Bank is a knowledge bank, it needs to share the knowledge more. And I include in that correspondent banking, insurance, social protection approaches. We are sliding behind globally.”*

— Senior Pacific Islands government official

Multilateral development banks and development partners are ramping up infrastructure investment, but local management capacity is lagging. Ensuring that Pacific Island countries can oversee project development is essential to future asset maintenance and oversight, and to reduce dependence on external consultants.

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# Managing the risks and rewards of regionalism

Regional cooperation is essential for the Pacific, but achieving greater effectiveness requires addressing long-standing challenges. Climate advocacy provides a successful example of coordinated regional action, with Pacific Island countries presenting a united front at international forums. But other areas, such as health, transport, and economic policy, require additional support.

*“I am becoming more convinced of the need for greater regional integration: things like a common maritime area, more cooperation in fisheries, development, mobility. The question is: who is going to do it?”*

— Pacific Islands civil society worker

The Pacific Islands Forum’s ongoing regional architecture review is a step towards better managing geopolitical and transnational pressures by streamlining responsibilities, reducing inter-agency competition, and enhancing cooperation on transnational issues. Leaders highlighted the importance of strong regional institutions that prioritised member needs and addressed regional challenges holistically. Better management of external interests could also take some pressure off Pacific countries. But reform was seen as long overdue and occurring too slowly. And securing gains from regionalism faces challenges:

*“How do we manage individual versus collective security needs? People [or countries] are still not prepared to give up some of their sovereignty for the sake of greater regional integration.”*

— Pacific Islands national security official

So, despite high hopes for regionalism, scepticism persists. In the North Pacific, there were views among senior officials that regional agencies might efficiently pool resources to advance common interests in fisheries, customs, or policing, but they still had concerns about how well their unique interests and circumstances could be addressed by regional agencies.

*“What works for the South [Pacific] does not always work for us [North Pacific].”*

— North Pacific government executive

The concept of “regional webs of engagement”, which emphasise decentralised, multi-sectoral, and multi-government collaboration, was favoured over the centralised and more rigid “hub and spoke” model, where a single agency coordinates and dictates Pacific member states’ activities.

*“Regional agencies need to create connections that do not necessarily put themselves in the middle.”*

— Pacific Islands member of parliament

This is exemplified by the Forum Fisheries Agency and the Pacific Transnational Crime Network, which provide regional programs that generate independent relationships among member countries, rather than always mediating or routing their interactions through the agencies themselves.

Better servicing members required “member countries to work harder to shape regional agendas”, in the view of one senior official. Even so, many felt the number of meetings, declarations, and initiatives had ballooned beyond national capacity. Some queried if an audit of roles and responsibilities could help reduce duplication.

*“I could spend every waking hour at regional meetings, but I’m not sure of return on effort.”*

— Pacific Islands senior multilateral official

Beyond regional architecture, there was interest in new models of integration, such as intra-Pacific labour mobility, and closer integration of regional transportation, finance, and health services. Evolving regional security and policing initiatives generated interest but also reservations about donor commitments to Pacific leadership and to meeting Pacific needs over geopolitical balancing.



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# Conclusions

These reflections on external engagements in the Pacific Islands underscore the delicate balancing act Pacific Island countries face amid escalating geopolitical competition. While increased global attention and resources offer opportunities, they also highlight existing governance challenges and magnify the pressure on domestic systems.

Pacific officials understand the challenges, the power dynamics, and the need to diversify relations in a multipolar world. There is awareness of how regional and national deficits in accountability, policy alignment, and collaboration adversely affect integration and development in the Blue Pacific Continent. Those in the civil society sector are concerned at declining direct support and lack of public accountability.

The rapid influx of aid and engagement strains local capacities and governance systems, exacerbating information asymmetries and artificial divides between development and security priorities. There was clarity over the need to strengthen local governance systems to better manage external engagements (Figure 3).

Regional cooperation remains vital for addressing shared transnational issues such as climate change, security, and economic resilience. Yet reforming regional architecture to better support member countries and manage geopolitical pressures is an ongoing challenge. Regional agencies were created a generation ago, and most of those interviewed felt that the current Pacific Islands Forum regional architecture review needed to bring institutions into contemporary times, address inter-agency competition, and consider if new regional innovations and relations are needed to better generate development opportunities and manage external engagement pressures.

As Pacific Island countries continue to assert leadership in shaping external engagements and pursue their security and development priorities, the focus of Pacific leaders, senior officials, and civil society remains on strengthening domestic systems, ensuring accountability, and fostering deeper regional integration that respects national sovereignty while amplifying collective power on the global stage.

**Figure 3: Summary of key themes from consultations**

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<b>National interest first</b>	<ul style="list-style-type: none"><li>• Diverse external relations help to hedge risks in a multipolar world</li><li>• The ability and willingness of development partners to align with national priorities influences the nature of external engagements</li><li>• Rigorous cost-benefit analysis of engagements is needed</li><li>• Government needs to close loopholes that allow foreign powers to skirt central government oversight</li><li>• Accountability mechanisms need strengthening to protect national interests and local responsiveness, and national interests should be clearly defined</li></ul>
<b>Strengthen domestic systems</b>	<ul style="list-style-type: none"><li>• National policies need strengthening to set clear priorities and direct foreign engagements</li><li>• Institutional and professional partnerships should be strengthened</li><li>• Capacity building needs to build critical thinking and leadership, as well as technical skills</li><li>• Co-design and management of externally funded projects are still lacking</li><li>• Private sector requires greater support to boost independence and revenues</li></ul>
<b>Integrate security and development</b>	<ul style="list-style-type: none"><li>• Donor and national responses to interconnected development and security crises remain fragmented</li><li>• Security agreements need more attention to human and national development</li><li>• “Blue washing” (i.e. Pacific policy references without commitment) masks divergent values and priorities among external actors/partners</li><li>• Competition among disaster first responders undermines efficiency</li><li>• Transnational crime responses need to address underlying development issues</li></ul>
<b>Address information asymmetries</b>	<ul style="list-style-type: none"><li>• Identified information asymmetries between development partners and local stakeholders:<ul style="list-style-type: none"><li>• Funding processes and investment pipelines</li><li>• Digital opportunities and risks</li><li>• Knowledge of how best to manage and maintain critical assets</li><li>• Access to, and valuing of, scientific and traditional knowledge</li></ul></li></ul>
<b>Manage regional risks and rewards</b>	<ul style="list-style-type: none"><li>• Regional agencies need to give a high priority to servicing member states</li><li>• Regional inter-agency competition diverts resources from people-focused development</li><li>• Connections across sectors and scales need strengthening beyond rigid “hub and spoke” approaches</li><li>• Regional initiatives should be more sharply focused on shared policy challenges, e.g. transnational crime, cyber security, and common health priorities</li><li>• More attention must be given to innovation in regional cooperation, e.g. in health systems, transport, and financial services</li></ul>

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## About the authors



**Dr Meg Keen** is a Senior Fellow in the Pacific Islands Program at the Lowy Institute.

Meg's work on the Pacific region spans several decades across academia, intelligence and policymaking. Her research focuses on regional security policy and resilience, as well as resource, environmental and human security. She has worked and conducted research in nearly all Pacific Islands countries with governments, NGOs and regional agencies.

Before joining the Lowy Institute, she was the inaugural Director of the Australia Pacific Security College at the Australian National University (ANU), an educational institution she helped to establish to service members of the Pacific Islands Forum on Pacific Islands development and security issues.

Prior to that, Meg worked as a Senior Policy Fellow in the ANU's Department of Pacific Affairs, as a Senior Analyst in the Oceania Branch of the Office of National Assessments (now the Office of National Intelligence) and served in Australia's Regional Assistance Mission to Solomon Islands (RAMSI).

She started her post-doctoral career as a lecturer in environment studies (ANU and Monash University) and advising the Australian government on environmental management in the Asia-Pacific.

Meg has won four Australia Day Awards for her work as a senior Pacific Islands analyst, an Australian Federal Police Overseas Service Medal for her work with RAMSI, and a citation for excellence in teaching. A Canadian native, she has been resident in Australia for more than 30 years.



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Mihai's research focus is on regional dynamics and the role of the United States, China, and Australia in the Pacific. His analysis has appeared in the *Australian Financial Review*, *The Australian*, *The Guardian*, and *The Interpreter*. Mihai's commentary has appeared in *The New York Times*, *The Washington Post*, the *Financial Times*, Bloomberg, and other major international outlets.

Before joining the Lowy Institute, Mihai was an Australian diplomat, with postings to Solomon Islands and Indonesia, and short-term deployments throughout the Pacific. Mihai was a Pacific Analyst at the Office of National Assessments.



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