Country Assistance Policy for The Cook Islands

April 2019

1. Relevance of Assistance

The development of the Cook Islands faces a number of challenges, including being many small islands dispersed over a broad marine area (dispersion), a limited domestic market (size), along with being distant from international markets (remoteness). Although the per capita GNP of the Cook Islands exceeds NZ\$10,000, there is still a need for improvement in living standards, due to serious problems in terms of domestic economic development, infrastructure development, transportation networks between outer islands, and widening economic disparities. In addition, limited domestic higher education and employment opportunities have led to an exodus of human resources to countries such as New Zealand and Australia. It is essential for the country's social and economic development to overcome these vulnerabilities.

In the "National Sustainable Development Plan (NSDP) 2016-2020" the Government of the Cook Islands sets priority areas such as improving welfare, reducing inequity, expanding economic opportunities, effectively managing solid and hazardous waste, sustainable management of water and sanitation, building resilient infrastructure and ICT, etc. As one of the instruments to achieve the NSDP, there is an expectation that development assistance from foreign governments will be in line with these targeted areas.

Japan and the Cook Islands established diplomatic relations in 2011, and in recent years, the number of Japanese tourists to the islands has been on the rise, while people-to-people exchanges have been flourishing through Japan's exchange programs for youth and the Japanese Government Scholarship. The Cook Islands has established good bilateral relations with Japan, including cooperation through the Pacific Islands Leaders Meeting (PALM) and other events, as well as support and cooperation for Japan's position in various international arenas.

Japan remains committed to providing continued assistance and support to strengthen the bilateral relationship between Japan and the Cook Islands and to encourage self-reliant and sustainable development of the Cook Islands.

2. Basic Policy of Assistance (Long-term Goal): <u>To strengthen the foundation for self-reliant and sustainable development and improvements in living standards.</u>

Based on the NSDP of the Cook Islands and Japan's overall policy toward Pacific island countries, including PALM which has been held triennially since 1997, Japan will provide assistance to Pacific island countries in the areas of maritime security, marine resource management and environmental conservation (including measures against marine plastic litter), disaster prevention, climate change and the environment, waste management to improve social services, and capacity building and strengthening of economic and social infrastructure.

3. Priority Areas (Medium-term goals)

- (1) Strengthen the foundation for sustainable development In order to strengthen the foundations that underpin sustainable economic growth, emphasis will be placed on infrastructure development that contributes to the development of industries such as tourism, agriculture, and fisheries, as well as support that focuses on strengthening connectivity, human resource development, and the shift to renewable energy. In addition, cooperation will contribute to the improvement of social services in the fields of medicine and health, including preventive medicine, and vocational training and education.
- (2) Climate change, environment, and disaster prevention Cooperation will contribute to reducing risks from natural disasters and climate change, to environmental management by strengthening waste and sewage treatment capacity and improving public health to cope with urbanization and increased tourism, and to strengthening climate change countermeasures such as disaster prevention and renewable energy.
- (3) Maritime security and marine resource management, development of marine transportation network
 In order to protect a free, open and sustainable maritime order, Japan will provide assistance to the Cook Islands, which has a vast territorial sea and exclusive economic zone (EEZ), in the areas of capacity building in the field of maritime security, including maritime law enforcement, marine resource management and marine environmental protection (including measures against marine plastic litter), and maritime transportation network development.

4. Points to be considered

- (1) Japan continues to communicate and exchange views with major partner countries such as New Zealand, Australia along with other development partners in order to minimize duplication in development assistance and to promote effective and efficient synergistic assistance.
- (2) The Cook Islands has a GDP of over \$10,000 per capita, but there is a discrepancy between these figures and local conditions due to the large percentage of foreign investment.

Annex: Rolling Plan