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and
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Moderator: Good morning everyone from the U.S. Department of State's Asia-Pacific Media Hub in Manila. I'm Zia Syed, the Hub Director, and I would like to welcome participants dialing in from across the continent and the United States.

Today, we are pleased to be joined [from Washington DC] by USAID Acting Senior Deputy Assistant Administrator of the Bureau for Asia Ann Marie Yastishock; and in Manila, USAID Mission Director for Philippines, Pacific Islands, and Mongolia Lawrence Hardy II.

We'll begin today's call with opening remarks from Ms. Yastishock and Mr. Hardy. We will try to get to as many questions as we can during the time that we have, which is approximately 30 minutes.

Finally, as a reminder, today's call is on the record, and with that, I will turn it over to Ann Marie. Please go ahead.

Ms. Yastishock: Thanks very much, and thanks everyone for joining this evening. I wanted to start with basically talking about our USAID footprint and expanded personnel in the Pacific. We currently provide assistance to 11 of the Pacific Island countries: the Federated States of Micronesia, Fiji, Kiribati, Palau, Papua New Guinea, the Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. We currently have more than 70 staff that support the Pacific, of which eight are based in Fiji, PNG, and the Federated States of Micronesia, and with the remainder in our office in Manila.

This year, I'm happy to say, that we're going to be adding staff across the Pacific, including senior development advisors in Fiji, Papua New Guinea, as well as country coordinators in the Federated States of Micronesia, the Republic of Marshall Islands, Palau, and also Solomon Islands.

So really, what the U.S. Government has done under the Indo-Pacific Vision in the Pacific Islands region, we're really broadening our work to advance citizen-responsive democratic governance, spur sustainable and transparent infrastructure, and improve natural resource management.

USAID remains committed to the Pacific region. It is clear as we are ramping up our presence there, but also as we continue to look at our assistance programs and adhere to the highest standards of transparency, rule of law, sustainable financing, and respect for the autonomy of the development recipients. We – under our Indo-Pacific Transparency Initiative – we’re looking at responsive governance and promoting the integrity of electoral processes that support the independence of the media and the integrity of information, while also protecting human rights and dignity.

Our infrastructure programs play a key role in the development in the Pacific. We’re working to ensure adequate infrastructure – including strategic water, energy, telecommunications, and transportation systems – that are in place [for our] Pacific Island neighbors to accelerate the economic growth and help the host countries achieve better health, education, and other development outcomes.

And finally, we’re working to help strengthen laws on the management of natural resources, and promote the adoption and enforcement of environmental standards that reflect international best practices.

Before I turn it over to Lawrence, what I’d like to do is spend a minute on talking about the U.S. [Government’s] \$100 million Pacific Pledge. Under the Indo-Pacific Vision, in 2019, the U.S. Government committed more than \$100 million in new U.S. assistance in the Pacific Islands. This assistance is on top of the approximately \$350 million annually that U.S. agencies invest in projects, assistance, and operations to build a more prosperous future for the people of the region.

As part of that \$100 million Pacific Pledge, USAID will implement more than \$63 million in new programs over the next year, more than doubling the development assistance provided in the region over previous years. That breakdown will be \$23 million which has been allocated for Papua New Guinea on electrification – on the electrification partnership, which is a five-year effort to strengthen energy regulatory systems, catalyze private sector investment, and conduct effective public outreach. We proposed about \$7.5 million in USAID assistance to facilitate private investment to expand internet service, improve the availability and the reliability of internet service across the region. We’re looking at \$3 million for the Women’s Global Development Prosperity Initiative, specifically in Papua New Guinea, to strengthen women’s empowerment.

Under our governance pillar, we’re looking at providing \$6 million of USAID assistance to advance citizen-responsive, democratic governance. \$12 million will promote transparent and accountable governance through efforts to counter corruption and encourage strong civil society, and support transparent procurement practices. And then, of course, on judicial and legal reform. \$4 million for improved public financial management and accountability mechanisms through activities such as advisors, as well as capacity-building programs.

And then, finally, under our security pillar for the Indo-Pacific vision, \$7.5 million in USAID assistance will be used to address economic and governance drivers for illegal, unreported, unregulated fishing. That's particularly in the coastal fisheries.

So that kind of gives you a good overview of the region, and I'm going to turn it over to Lawrence.

Mr. Hardy: Thanks very much, Ann Marie, and good day to all. This is Lawrence Hardy from USAID in Manila, based in the Manila, Philippines.

I recently returned from a two-week trip to the Pacific Island region that included Papua New Guinea, the Solomon Islands, Fiji, and Tuvalu. The trip was timely and useful, particularly because it enabled USAID to highlight the important development partnership with our Pacific Island nations, as well as USAID's ongoing programs and opportunities to expand assistance.

During my meetings with senior government officials, civil society, as well as our donor partners throughout the trip, I learned a great deal about the Pacific Islands' highest development priorities and challenges, as well as new USAID opportunities for us to engage creatively to accelerate the region's economic and social development. Without exception, every country expressed great appreciation for our current assistance and also, as Ann Marie has referenced, warmly welcomed USAID's plans to significantly expand not only our programs there, but also our physical presence with USAID Foreign Service officers who will be based in the Pacific region this year.

I just want to share a couple of highlights in each of the four countries that I visited.

While in Papua New Guinea, I announced two new USAID projects that will strengthen USAID's partnership to protect the country's rich terrestrial, as well as marine, biodiversity as well as a new program that will promote women's empowerment.

From there, I traveled to the Solomon Islands, where I met with the prime minister's cabinet, the donor community, as well as other development stakeholders. The United States and the people of the Solomon Islands have a special bond that dates back to World War II, as I was frequently reminded by those with whom I met. And again, USAID's message that we will significantly expand our programs there was warmly welcomed. There are tremendous new development opportunities in the Solomon Islands where USAID will bring its expertise and assistance. Based upon some of my extensive discussions, we identified several areas for collaboration. Fishing is one of the country's largest economic drivers, and we will work with coastal fishing communities to ensure sustainable practices, as well as create value-added supply chains to increase household incomes.

From there, I traveled to Fiji. While in Fiji, I met with senior officials of the Pacific Islands Forum, also known as PIF, [which] is an intergovernmental organization whose mandate is to enhance cooperation among 18 Pacific Island country members, of which the United States is, in fact, a "Dialogue Partner." Our current programs with PIF nations include climate adaptation to help Pacific Island nations become more resilient to changing environmental conditions, whether

natural or manmade; they also include USAID assistance to build member nations' capacity to successfully apply for, and receive significant financial resources from, international organizations such as the Global Environmental Facility.

Then, I was delighted to be able to travel to Tuvalu, the last of this four-country trip, and was accompanied by U.S. Ambassador Cella, who's accredited there as well as to four other Pacific Island nations. The ambassador and USAID's presence sent a strong message to the government and the people of Tuvalu that the United States Government commitment is strong, and our desire for greater bilateral development partnership is a priority. As with most Pacific Island nations, recurring natural and manmade disasters in Tuvalu seriously affect economic development and growth. USAID will continue to work with the government, as well as Tuvalu island communities that spread across hundreds of miles, to help strengthen their ability to reduce the negative consequences of those disasters and move quickly to restore livelihoods for so many affected families that rely upon fishing as their primary lifestyle.

Moderator: Thank you very much. We will now begin the question and answer portion of today's call.

So why don't we go ahead and start with the first question that we're receiving, which is from Meaghan Tobin from the South China Morning Post.

Question: [Inaudible.]

Moderator: Can you please go ahead, Meaghan?

Question: Hello?

Moderator: Yes, hi Meaghan, please go ahead.

Question: Hi, Zia, thanks very much. I'm wondering about the possible collapse of U.S. cooperation with the military in the Philippines, and whether that is going to affect in any way the U.S. presence in the Pacific Islands or the U.S. presence in the region.

Mr. Hardy: [Inaudible.]

Moderator: Carolyn, can you please mute that phone line? Okay. Lawrence will answer now. Thank you.

Mr. Hardy: Yes, in response to the question, the U.S. embassy here in Manila has put out a statement regarding the Visiting Forces Agreement. So I would recommend you to contact the embassy's Public Affairs Office. The statement was released on February 11th here in Manila.

Moderator: Okay, thank you.

While we're waiting for others to join the queue, I'm going to ask a question that we received in advance. We received a question from Jonathan Milne from Cook Islands News in Rarotonga,

Cook Islands. He was saying that the Cook Islands Prime Minister Henry Puna said this week that both China and the U.S. are very good friends, but only China is, quote/unquote, “present” in the South Pacific. The impression is that the U.S. – the impression in the Cook Islands is that the U.S. has been largely absent since World War II, but everyone would welcome their return. So the question is: “What evidence can you point to that the U.S. is indeed an active aid and development partner in the South Pacific region, and are there any upcoming plans or projects that everyone should be aware of?”

Ann Marie, would you want to start?

Ms. Yastishock: Thank you. Yes, I’ll take that. We are – we have been located in the Pacific Islands. We have assistance programs in 11 of the Pacific Island countries. That includes the three compact states, as we call them, of Micronesia, Fiji – I’m sorry, Micronesia, Palau, and the Republic of the Marshall Islands. And we have been continuously providing assistance throughout the region. Over the last year, we have decided to increase our presence and will be adding additional staff in each of the Federated States of Micronesia, the Republic of the Marshall Islands, as well as Palau, and increasing our numbers in – where we have the largest of our assistance programs is in -- Papua New Guinea, as well as reopening in Fiji and placing an individual also in the Solomon Islands.

Again, I spoke about our Pacific Pledge that has been made public at the end of December – at the end of 2019, which includes \$100 million from the U.S. Government, \$63 million of that for specifically USAID programs.

So, we haven’t left the region, but we are increasing our presence as well as our programming; and again, looking at where the Pacific Pledge funding will be spent – a lot is focusing on Papua New Guinea, as well as in other parts of the Pacific.

Moderator: Okay, thank you.

While we’re waiting for others to join the question and answer queue, to sort of piggyback off of what you just mentioned there, Ann Marie, we did get a question from Patrick Sakal at the National Broadcasting Corporation of Papua New Guinea in Port Moresby, asking: “So can you specify a little more about the Pacific Pledge and how – what sort of money and projects may be coming to Papua New Guinea, and what sort of people and populations within Papua New Guinea do you think they’ll be targeting?”

Ms. Yastishock: Okay, thank you for that. Under the Pacific Pledge -- this is in addition to what our existing programs are already in Papua New Guinea – last year we provided the first tranche of \$20 million – \$23 million, actually, in assistance for the Papua New Guinea electrification partnership, which is a five-year effort to strengthen energy regulatory systems. And that assistance is, together with funding alongside Australia, Japan, and New Zealand, to increase Papua New Guinea’s electrification from 13 percent to 70 percent by 2030. We also will be providing an additional \$3 million on the Women’s Global Development Prosperity Initiative, specifically for Papua New Guinea on strengthening women’s empowerment in farming and fishery sectors in Papua New Guinea.

We've also been quite active in biodiversity, as well as other areas of health in Papua New Guinea, specifically HIV/AIDS.

And then finally, a number of our programs have focused on disaster risk reduction throughout the region, addressing and building the capacity of the countries in the region on resilience and being able to respond to natural disasters.

Moderator: Okay, thank you.

Okay, if we could next go to – if we could next go to Katina Curtis from AAP in Canberra. Katina, please go ahead.

Question: Hi, thanks very much for the briefing. Just following up on the question about the perception of China's presence in the Pacific, and the American presence -- just wondering if you could comment perhaps on the – there's been a lot of criticism around the way Chinese aid is tied to debt and perhaps what the American approach is.

Moderator: Ann Marie, would you like to start?

Ms. Yastishock: Sure, I'll start with that. What we offer is really a transparent and sustainable way of doing development assistance. We don't work on loans, we work on grants on a grant basis, which prevents countries from really being in a debt situation. We work in accordance with the highest standards -- not only on our infrastructure projects -- but also on transparency, rule of law, sustainable financing, and respect for the autonomy of development recipients in the region.

Our goal is really to build the resilience and the self-reliance of the countries that we work in, so that they aren't getting themselves into debt traps, as we call it, but are really looking at the feasibility of infrastructure projects, whether it's something that is actually needed, and making sure that the environmental safeguards are put into place. As well as ensuring that it is a project that will accelerate economic growth, and achieve then, better results across the board for those citizens of those countries. But we really are looking and working in partnership with the countries over what it is that they need based on their part, and working to build their self-reliance, or as we call it, their journey to self-reliance.

Mr. Hardy: If I could just add to what Ann Marie said. Throughout my trip to the Pacific Islands a lot of countries actually – one of the reasons why we were so welcomed was because they understand that the U.S. Government and USAID work to promote a transparent, a free and open Pacific region, and they want to have opportunities, the capacity to be able to make informed decisions, and they realize that USAID's assistance will provide them with that.

So, in addition to what Ann Marie has already mentioned, there is also a demand for greater transparency, greater choices, and also their own ability to make their decisions based upon information, evidence, and their own capacity to be able to chart their own development course.

Moderator: Thank you.

Next if we could go to Patrick Sakal from the National Broadcasting Corporation of Papua New Guinea. Patrick, please go ahead.

Question: Good morning. Hello? Good morning. My question – hello?

Moderator: Yes, we can hear you. Please go ahead.

Question: Okay, good morning. Hello? Are you with me? Good morning.

Moderator: Please go ahead, Patrick.

Question: [Inaudible] 100 million in Pacific Island countries. And how much of this money will be given to Papua New Guinea and [inaudible] projects? That's my first question. And can I ask a second question, please?

Moderator: Okay.

Question: My second question is – hello? What are the results that U.S. government would like to see from these projects from the pledged funding? And when will be the U.S. Government funding made available to PNG, or Papua New Guinea? And when are Papua New Guinea USAID projects are to be rolled out? Rural or urban [inaudible]? And how will the projects be rolled out? And why is USAID so important to the development of Papua New Guinea.

These are my questions. Thank you very much.

Moderator: Thank you.

Ms. Yastishock: Again, the amount of the Pacific Pledge for USAID is about \$63 million. 23 million is for assistance for Papua New Guinea's electrification partnership -- that is a five-year effort to strengthen the energy regulatory system. We expect that contract to be awarded by June or July. Another \$3 million is for the Women's Global Development Prosperity Initiative that is targeted specifically to strengthen women's empowerment in the farming and fishery sectors in Papua New Guinea.

Lawrence, do you want to pick up on what you and Sean signed when you were in Papua New Guinea, on the biodiversity and the other projects?

Mr. Hardy: I'd be happy to, Ann Marie. While in Port Moresby, USAID and the Government of Papua New Guinea, signed a new – and it turned out to be a \$19 million, five-year agreement that will reduce the primary drivers and threats to biodiversity in Papua New Guinea by strengthening the management of customary lands. One of the other objectives of this program, because we will be working both at the national, as well as the local levels, will be to strengthen environmental policies, and build greater capacity to implement systems to assist Papua New

Guineans both to protect the environment, while sustainably using this important patrimonial asset to create jobs and increase household incomes.

We all realize that throughout the Pacific Islands, the environment is key not only to preserve -- because it's a source of economic development and growth -- but also to be able to utilize in a way that is sustainable. So, what we're doing in Papua New Guinea is not anything that is not a common challenge faced in a lot of other countries. This particular new program was designed in very close coordination with the government, as well as civil society. So, we're very optimistic that it will achieve the results that are predicted and planned, and we have great partnerships to be able to make that happen.

Moderator: Thank you. We probably only have time for just one more. If we can next please go to Jonathan Milne from Cook Islands News. Jonathan, please go ahead.

Question: [Inaudible] This is Jonathan, Cook Islands News. I'm sorry, just drilling down on my previous question, and like Patrick, it's really [inaudible] where we're in the deepest South Pacific and, with China very active down here with their development projects, I'm really interested in what specific -- you talk about an extension of USAID in the region. Can you give us any specifics of projects that America is involved in, or is going to be involved in, this far south?

Ms. Yastishock: Lawrence, do you want to take that?

Mr. Hardy: Certainly. Our engagement as has been broadly framed, is throughout the Pacific, or the South Pacific Islands. There's 11 countries that we have obviously been working in, and are not new to. So we have been asked -- when you ask specifically about where USAID may focus our interests, we've been asked for help in terms of infrastructure development, which is a pretty consistent theme that goes throughout the region. There are some countries that obviously have greater needs than others. We see an opportunity to work with our partners like the Australians, like the New Zealanders, as well as the Japanese, who have tremendous financial assets to be able to do some of the construction work associated with these infrastructure requests.

USAID's comparative advantage oftentimes is to be able to help, in partnership, determine how best to approach these projects by doing feasibility studies which is a nice kind of complementary relationship and partnership in working with the governments, as well as other partners.

A second common theme that we've heard of interest to many of the Pacific Island nations and in the deep south, as you referred to it, is to be able to have internet access and digital connectivity. We all know that technology can be an extremely powerful driver of development, and there's a lot that can be done, particularly when you're dealing with so many countries that have such vast amounts of space between their islands, to be able to connect them. It often enables us to leapfrog a couple of decades, in fact, of some of the development challenges through things like telemedicine, which is one of the things that one of the countries brought up,

to be able to project their ability to provide greater healthcare and access to information, which we all know is very important, to remote communities.

A third area that was very common in a lot of the discussions that I had throughout the trip was the importance of good governance. It's the foundation of all sustainable development. It's the foundation of the ability for governments to understand and be responsive and accountable to the things that the populations are asking for. So they're asking us to assist them in important areas. Ann Marie mentioned just a couple of them. One of them is public financial management. Why would that be important to so many Pacific Island countries? Their ability to better govern their resources – and these resources are coming from external sources – but their ability to better manage those resources is of tremendous value to them. They've requested specifically from USAID, assistance because they know that's an area that we have traditionally and historically worked, not only in the Pacific Island region but also in other areas. They also heard – I also heard from others, the importance – because there have been some political changes within the region – the importance of being able to engage and better bring civil society into the political debate, dialogue, and sphere, so that they understand and know what their responsibilities are, and can be held accountable to their communities.

So these are all very encouraging conversations and areas where USAID is more than happy to assist.

Moderator: Thank you very much. That will conclude today's call. I want to thank USAID Acting Senior Deputy Assistant Administrator of the Bureau for Asia Ann Marie Yastishock, and USAID Mission Director for Philippines, the Pacific Islands, and Mongolia Lawrence Hardy II. And I also thank all of the journalists on the line for participating. Please stay on the line for information regarding access to an audio recording of the call. Also, please be aware that a transcript of the call will be posted to our social media platforms and sent out to all of you within a day.

Thank you very much.

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