



PIPSO

Pacific Islands Private Sector Organisation



Promoting and inspiring the growth of Pacific businesses.

STRATEGIC PLAN

2016-2019

This project was funded by



VISION

Promoting and inspiring the growth of Pacific businesses.

MISSION

Advocate for and drive private sector driven economic growth for the benefit of our region.

GUIDING VALUES

The work we do and the way we do it is premised on the following:

Relevance

We deliver to our members and the wider Pacific business community timely and relevant information, programs and services, that deliver measurable results.

Innovation

We embrace and encourage new ideas and creative thinking to strive for continuous improvements of organisational operations and programs.

Integrity

We conduct business with honesty and integrity and making decisions to ensure future stability and sustainability.

Leadership

We promote and provide leadership that embraces our membership and impacts the direction of the wider Pacific business community.

Teamwork

We cultivate a culture of teamwork to accomplish goals and objectives and empower staff and partners we work with.

Outreach

We reach out, be transparent, and communicate our work using the most appropriate communication and information tools and methods.

PIPSO Strategic Plan 2016-2019

Strategic Focus Areas:



Strategic Focus Area 1

Supporting NPSOs to be strong and responsive organisations



Strategic Focus Area 2

Assisting Pacific businesses to enhance their business competitiveness and growth



Strategic Focus Area 3

Championing the interests of private sector in the appropriate fora



Strategic Focus Area 4

Ensuring the sustainability of PIPSO's resources and enhancing its capabilities

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1. Introduction & Background

Pacific Private Sector Agenda

It is widely recognised that the private sector can be an engine for inclusive growth by creating decent jobs, contributing toward public revenue (through taxation, etc.) and being the provider of various goods and services in an economy. Pacific Governments and development partners especially recognise this role and are finding ways to channel appropriate resources to support the private sector through the development and/or reform of appropriate policy and regulatory frameworks to enhance business competitiveness and innovation, create jobs, promote trade, and enhance the production and provisions of goods and services by facilitating appropriate technical assistance.

On this basis, PIPSO takes its role very seriously in terms of facilitating support to the private sector and Pacific businesses by working cohesively with Governments, development partners, academia, and civil society groups. This is to ensure that assistance and support to the Pacific private sector is targeted in line with business development needs for growth and sustainability, while supporting national development aspirations for private sector development growth.

As PIPSO works with its members in the Pacific island countries and collectively across the region, we are mindful that our interventions to support Pacific businesses are guided by regional and international commitments, here below, in support of the private sector development aspirations of the Pacific island countries espoused in their National Sustainable Development Plans (NSDPs) and other regional and sub-regional frameworks:

The **Framework for Pacific Regionalism** strives to achieve sustainable development that combines economic, social, and cultural development in ways that improve livelihoods and well-being use the environment sustainably; and ensure economic growth that is inclusive and equitable.

The framework was endorsed by Pacific Islands Forum Leaders in July 2014 and is intended to support “focused political conversations and settlements that address key strategic issues, including shared sovereignty, pooling resources and delegating decision-making.” Rather than providing a list of regional priorities, it sets out a robust process through which regional priorities will be identified and implemented.

Small Island Developing States Accelerated Modalities of Action (Samoa Pathway) calls for promoting and fostering an environment conducive to increased public and private sector investment and the creation of decent jobs and livelihoods that contribute to sustainable development; development of entrepreneurial and vocational skills; and access to technologies to achieve sustainable development; and foster environments that provide incentives for innovation and entrepreneurship, which are essential enablers and drivers for sustainable development.

The Samoa Pathway was the outcome of the Third International Conference on Small Islands Developing States held in Apia, Samoa in 2014.

Sustainable Development Goals (SDGs) Spearheaded by the United Nations, the SDGs are a set of aspirational goals with 169 targets that cover a broad range of sustainable

development issues such as ending poverty and hunger, improving health and education, making cities more sustainable, combating climate change, and protecting oceans and forests. For PIPSO and the Pacific private sector, this means ensuring that private sector/business activities and contributions are appropriately and properly reflected and captured in measurements and mechanisms to track business contributions to the SDGs. Further, it confirms that the SDGs can be a platform to gauge private sector effectiveness and accountability in the development space.

ACP Private Sector Development Strategy will guide the development of future ACP private sector support programs focusing on these strategic priorities: improving the business climate for private sector development; developing and strengthening entrepreneurship and micro, small and medium enterprises (MSMEs); increasing access to financing for MSMEs; and strengthening competitiveness and access to national, regional and global markets for MSMEs. The strategy places great emphasis on stakeholder engagement, collaboration with existing actors and institutions, and implementation at the regional level.

External and operational factors for consideration

As PIPSO maps out its annual work plans and highlights key outcomes and outputs, it is mindful that there are external and operational factors that it needs to bear in mind. In addition to forecasting and identifying existing trends that are affecting businesses globally, a number of strategic factors are particularly compelling for the Pacific's private sector, and that conditions and developments can impact PIPSO.

These include but are not limited to:

- Political and economic factors
 - Impacts on aid policies from Brexit (for example) and changes in PIC government and/or policies in major donor countries;
 - efficiently secured financial transactions framework. Access to credit remains a fundamentally key issue for Micro and SMEs, but new and innovative financing products and programs are emerging. Financial sectors are mostly underdeveloped, and there are limited financial vehicles for businesses; and
 - Increased competition for private sector development funds given other organisations (national/regional/international level) are also implementing private sector/economic empowerment programmes and projects.
- Environment factors
 - Climate change and its impacts on increasing sea levels, ocean temperatures, disasters' strength and frequency, that threaten all PICs; and

- Finite resources and the need for conservation of resources, especially fisheries and other natural resources.
- Social factors
 - Massive urbanisation and movement of Pacific peoples into urban centres;
 - Population growth in the Pacific and increasing youth and unemployed populations;
 - Aging populations & population movement placing greater pressure on government services & economies, job creation, etc;
 - Migration of professionals & qualified tradespeople continue to challenge PICs; and
 - Non Communicable Diseases impacting on health of communities, productivity of PICs, and the significant and continued increases in costs to governments and private sector.
- Technical and legal factors
 - Technological developments (in ICTs, transportation, energy etc.) will help mitigate operational costs for PICs;
 - Emergency communications' importance is heightened as natural disasters continue to increase in number and strength through the region; and
 - Laws & regulations across the region that are inconsistent & often archaic hinder private sector development, e.g. contracts, lending, debt collection, consumer protection, local government & municipal authorities codes, business regulations, promotion of competition, loans for women, etc.

Why a Strategic Plan to assist the Pacific's private sector?

It is important for PIPSO as it works with its members, the NPSOs, and the wider business community in the Pacific, that it does so, with the needs of its constituents and that those needs have been clearly identified and articulated.

PIPISO's work under this strategic plan endeavours to focus on four strategic focus areas in recognition of the challenges Pacific businesses face in terms of:

- The cost and ease of doing business: According to the World Bank's Doing Business Report, the Pacific islands countries are in the middle to lower percentile of rankings with Tonga being the most favourable in terms of ease of doing business (ranked 78 out of 189), and FSM and Kiribati ranked 148 and 149. Samoa is ranked as the most favourable (ranked 38 out of 189) for cost of doing business, with FSM and Fiji ranked 162 and 167, respectively.
- Consideration needs to be given to making the local regulatory environment (including business registration processes) more conducive to the starting and operation of a local firm and a regional one, and similarly with regards to costs associated to starting

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a business and maintaining a business operation (looking at fees structures, utilities, insurance, taxation etc.).

In addition, legislation and policies to promote local enterprise and support need to be encouraged. Most Pacific island countries have adequate facilities and support established for foreign investors but similar facilities and clearing houses to assist and support local entrepreneurs and start-ups are lacking and/or inadequate.

- Challenges associated with enhancing business competitiveness: A characteristic of the Pacific islands are their remoteness and the associated challenges, i.e. transportation being a major hindrance to accessing markets. In addition to transportation and other utilities, there are compounding and compelling challenges, such as access to market information and research; awareness of trade agreements contents and conditions; biosecurity, standards/regulations and quality assurance; product development, pricing, and marketing. Pacific businesses and entrepreneurs require technical support to enhance their business capabilities and seek out targeted and practical assistance. Modalities

KIRIBATI CHAMBER OF COMMERCE & INDUSTRY

National Private Sector & Employers' Organization



of assistance could be: technical assistance, trainings/seminars, industry visits and similar learning exercises/visits, mentoring etc.

Most businesses aspire to export and earn foreign receipts; however the domestic market is still fundamentally one with great opportunities. In terms of agriculture, for example, there are opportunities to contribute to the local food supply to reduce imports and the incidence of NCDs

Globally entrepreneurship is being touted as the emerging 'megatrend' because of the opportunities associated to enterprising activities but also as a means to addressing unemployment and livelihood issues, and the participation of women and youth (for example) in entrepreneurship.

- **Business development support and business mentoring services:** This is an area that needs further development. Whilst there are service providers and business counselors providing such services, these services need to be more practical, and targeted for the wider micro, SME and, community-based enterprises, and target women, and youth entrepreneurs, for example. These support services vary and are not limited to training, advisory services, and include the wider NPSO and Chambers of Commerce, and other private sector and/or industry groups and associations.
- **Access to financing:** This is still fundamentally one of the leading challenges for Pacific businesses and start-ups. Whilst banks and financial institutions have been the traditional source for financing, there is an emerging finance movement offering alternate credit solutions – crowdfunding, angel investors, philanthropy, corporate social responsibility, etc. Banking and financial institutions are becoming more responsive and aware of the need to offer diverse banking and financing solutions through varied products and services for private sector stakeholders.

2. Key highlights over 2013-2015 Strategic Plan

As PIPSO implements the 2016-2019 strategic plan, it does so acknowledging that significant results were achieved in the previous strategic plan period 2013 – 2015, as follows:

i. Recognition as the region's lead private sector organisation

Increasing frequency and number of requests for assistance, consultation and partnerships from development partners, governments and private sector organisations.

ii. Continued and increasing funds for private sector development initiatives

Confidence in PIPSO's capabilities and value has resulted in the continued contribution to core funding and securing of other funding to facilitate and assist Pacific businesses and NPSOs.

iii. Strong support for PIPSO signature events

Increasing support from public and private sector organisations and businesses for PIPSO's training programs, services and events.

iv. More NPSO inclusion in national policy discussions

Following PIPSO capacity building and mentoring for NPSOs, more national governments seek the involvement of NPSOs in national policy discussions and on national committees.

v. Increasing support by private sector leaders and organisations

Influential business people continue to support their inclusion on the PIPSO board and volunteer to assist with PIPSO operations, programs and initiatives.

In addition, there were also some significantly trying and challenging lessons learned, which PIPSO endeavours to embrace as it implements this new plan.

*Communications and outreach: To strengthen communications and outreach so that more information on PIPSO's work stemming from projects, trainings and events, research and lobbying is shared and disseminated widely and in a timely manner. PIPSO will strengthen its information and communications platform such as updated website, newsletter and other literature needed to promote the interests of the Pacific private sector and the work PIPSO does in supporting them.

*Human resource investment and resource mobilisation: To invest in more staff and/or expertise to ensure that it is providing the best support to Pacific businesses and networks. This also includes investments in office operations and infrastructure. PIPSO is of the view it needs to place itself in a position where it can sustainably self-fund its operations, complemented by other project funding support.

*Robust monitoring and evaluation: To adopt a robust M&E system to capture results of programme implementation to support the wider communications effort, and report how it has contributed to improving business developments, etc. (referring to indicators, policy developments, etc).

*Partnership and collaboration is essential: Recognising that PIPSO as an organisation cannot deliver everything for the private sector but as its representative body, that it enters into strategic partnerships and alliances with government and development partners, academia, civil society – including youth, women and environmental groups.

3. The Forward Agenda – addressing the strategic focus areas

This Strategic Plan is based on four strategic focus areas, with each of their own supporting objectives.

Strategic Focus Area 1: Supporting NPSOs to be strong and responsive organisations

Objective 1.1	Schedule of capacity building training programmes and associated assistance
Objective 1.2	Establish Business e-Hub Centre, i.e. development of policy guidelines and templates for NPSO institutional strengthening
Objective 1.3	Define information clearing house role with support from PIPSO

Strategic Focus Area 2: Assisting Pacific businesses to enhance their business competitiveness and growth

Objective 1.1	Multi-pronged and coordinated industry research and capacity building programmes for Pacific businesses
Objective 1.2	Innovative credit and funding schemes
Objective 1.3	Business networking and counseling support services

Strategic Focus Area 3: Championing the interests of private sector in the appropriate fora

Objective 3.1	Effective national and regional consultative dialogue processes
Objective 3.2	Compile and disseminate private sector research, surveys, and advocacy papers
Objective 3.3	Establish pathways and projects for collaboration under PPPs

Strategic Focus Area 4: Enhancing the sustainability of PIPSO's resources and capabilities

Objective 4.1	Sustainable resource base for PIPSO operations and service delivery to members and private sector
Objective 4.2	A robust communications, information and outreach platform for PIPSO
Objective 4.3	Transparent and effective financial, administrative and human resource development policy

4. Monitoring & Evaluation

The monitoring and evaluation (M&E) of the Strategic Plan will link to the wider and broad M&E framework for PIPSO, which will be developed outside of this Strategic Plan. In doing so, PIPSO is committed to ensuring that there are sufficient resources and time committed to the M&E aspects of this strategic plan so that it can effectively report on its activities, outputs/results, finances and other resources.

The M&E framework will capture principles pertaining to Managing for Development Results, a management strategy that focuses on using performance information to improve decision-making and focus on the achievement of outcomes; and the SDGs. These are essential to demonstrate that the work PIPSO does and its interventions are making a difference or contributing to making a difference to the lives of those in the Pacific private sector. For PIPSO this puts two things in context:

- *it enables PIPSO to use information to make better decisions for its programmes and for institutional strengthening capacities and resources; and
- *ensure that concerted efforts and resource mobilisation are supporting those goals and objectives articulated in this PIPSO Strategic Plan, and supporting the wider auspices of the Pacific regional private sector development agenda.

Over the 4-year period, PIPSO will be implementing various projects and programmes, and PIPSO recognises and acknowledges that each will have its own distinct M&E and results framework. PIPSO also recognises the importance of having these project results linked to the wider and broader goals and strategic focus areas of the Strategic Plan, and thus, the need for the PIPSO M&E Framework to be able to capture these. Further, whilst the M&E framework is to capture PIPSO results, the M&E framework will, where possible, ensure linkage and reporting that is consistent with national reporting and monitoring obligations.

Each year, PIPSO will develop a work plan listing planned interventions based on the strategic focus areas and associated objectives in this strategic plan, and a supporting results framework aligned to the broader organisational M&E framework. This will capture and report against specific outputs and ensure there is a consistent reporting mechanism for PIPSO's work progress to its members, its Board of Directors, and development partners. PIPSO also needs to demonstrate and report on these developments in a manner that can be shared with the wider public through its information and communication platform, e.g. annual reports, other PIPSO literature, website, and social media.

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Disclaimer

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