



PACIFIC REGION INFRASTRUCTURE FACILITY

*A partnership for better infrastructure
services in Pacific Island Countries*

FACTSHEET 1 - PRIF PRIORITY PRINCIPLES

The following eight priority principles are outlined in the PRIF Design Document and guide PRIF decision-making, activity design and implementation.

1. **Long-term engagement** with Pacific island countries that provides access to consistent technical expertise and funding for sustained improvements in infrastructure services. Long-term funding of infrastructure services from all sources (eg, user charges, Pacific island country governments, the PRIF partners, other development partners, private sector) must be **based on the 'life-cycle' costs of sustainable service provision** at appropriate standards and efficient balances between public, private and development partner financing.
2. **Country-responsive prioritisation** of infrastructure sector support **based on local capacity** through country-led planning and priority setting. PRIF support for Pacific island country infrastructure programs through grants should be negotiated with regard to the capacities of individual countries to fund up-front and recurrent expenditure of infrastructure services, to appropriate standards, from user charges and/or their domestic budgetary resources.
3. **Sector-based approaches** to infrastructure planning, budgeting and priority setting **led by Pacific island countries**, with a strong focus on the recurrent cost implications of maintenance requirements and the institutional capacities for investing in and maintaining infrastructure; and with facilitatory technical assistance from PRIF as necessary.
4. **Institutional and regulatory structures** that: clearly distinguish between the interests of infrastructure service providers and consumers; transparently fund the costs of infrastructure provision that cannot be recovered through user charges; and enforce management accountability for performance.
5. A **strengthened role for the private sector** in infrastructure financing and service delivery and, where appropriate, encouraging local employment.
6. Use of **appropriate technology** that considers whole-of-life costing and sustainability, and accords with the climate change agenda.
7. **Harmonisation among development partners** to increase the effectiveness of aid, and increasing **harmonisation with Pacific Island country government systems**.
8. Achievement by service providers of **agreed performance benchmarks**, as the basis for subsidies for provision of infrastructure services, whether funded by Pacific island countries or the PRIF partners; and **establishment of performance incentive arrangements** to improve infrastructure service outcomes.