

Review of mainstreaming of climate change into national plans and policies:

Nauru

November 2013

This summary is based on a consultancy report by **Planning 4 Sustainable Development and The Four Assist Network of Experts**, commissioned by the Secretariat of the Pacific Community (SPC) through the Global Climate Change Alliance: Pacific Small Island States (GCCA:PSIS) project, funded by the European Union.

Executive Summary

The purpose of this report is to summarise a review of the degree to which climate change has so far been mainstreamed in national strategic plans, policies and budgets, and – in a sectoral case study (presented in Annex 1) – the extent to which mainstreaming has translated to implementation.

Table 1 shows the criteria used in this review to assess the degree of mainstreaming of climate change, as well as some general remarks in relation to the review’s findings for Nauru.

Table 1. Criteria for mainstreaming and general findings of this assessment

Criteria	Overall assessment
<p>Objectives related to climate change are present in national development and environment policies, as well as in key sectoral policies</p>	<p>The <i>Climate Change Policy</i> and <i>Climate Change Adaptation and Disaster Risk Management Framework</i> (RONAdapt) will, when implemented, be the key tool for articulating Nauru’s climate change priorities and setting out future strategies for action. At present, there are climate-related objectives but no associated targets in the <i>National Sustainable Development Strategy</i> related to climate change specifically, and inclusion in sectoral plans is also limited.</p>
<p>Responsibilities for responding to climate change are clearly defined within government</p>	<p>Coordination of domestic climate change activity is largely centralised in the Ministry of Commerce, Industry and Environment, though the degree of coordination across sectors and between national plans is difficult to determine. DFAT handles work focused on the UNFCCC COP and the AOSIS.</p>
<p>Specific climate-related activities are outlined and planned for in these documents</p>	<p>The NSDS points to the need to better incorporate climate change considerations into national and sectoral plans. Those actions that are pointed at so far relate mostly to building capacity and developing action plans, though the infrastructure sector has a dedicated program of works that could be of relevance to adaptation goals.</p>
<p>Budgets are clearly allocated for the above activities</p>	<p>Sectoral implementation plans for water and energy do not include costed activities.</p>
<p>Monitoring and evaluation frameworks are in place for following up on delivery of climate objectives and implementation of activities</p>	<p>There are no clear monitoring and reporting frameworks detailed for the implementation of climate-related objectives.</p>
<p>The various policies and plans are coherent on the issue of climate change</p>	<p>At a general level, the specific climate change focus of the National Water, Sanitation and Hygiene Policy is consistent with the risks flagged in the NSDS.</p>
<p>The climate-related goals in these policies and plans have the buy-in of different stakeholders, meaning they are accepted, supported and promoted across government and within civil society and, ultimately, local communities</p>	<p>There are signs of some political engagement with the issue of climate change, though wider stakeholder awareness and buy-in, including within government, would help build momentum to mainstreaming efforts.</p>

Mainstreaming of climate change is one of the key criteria set by the EU that must be met before countries might be able to access climate finance through the modality of budget support. Other important criteria relate to public financial management, specifically that countries have a stable macro-economic framework, a public finance reform process underway, and a clear and transparent budget process. Annex 3 of this report therefore also very briefly discusses the status of, and expected milestones for, Nauru's public financial management roadmap.

Recommendations

The following actions would improve mainstreaming efforts:

1. In general, adoption of a broader definition of what activities are climate-related, and hence what expenditure may be considered as climate change finance, so that a wider array of relevant activities are brought into focus.
2. Review of existing national and sector plans to better align climate change-related objectives, outcomes and targets, so they are consistent and mutually reinforcing.
3. Establishment of a monitoring and evaluation framework for national and sector plans, and particularly for the goals and intended actions under the *Climate Change Policy and Climate Change Adaptation and Disaster Risk Management Framework (RONAdapt)*.
4. Review of institutional arrangements to better co-ordinate climate change and development activities within government.
5. Identification of climate change expenditure within departmental budgets, and alignment of donor climate change funds with sector plans and capital and recurrent budgets.

1. Assessment of climate change mainstreaming

This profile examines how climate change has been mainstreamed in national and sector policies, plans and strategies in Nauru. It explores the extent to which climate change objectives have been achieved, linkages between policies and climate change financing, and the extent to which policies are supported by institutional arrangements and financial and budget processes. It is based on publicly available reports and information that was availed by both regional and country representatives.

The following national plans and strategies were examined for this review:

- National Sustainable Development Strategy (NSDS) 2005–2025;
- Energy Efficiency Action Plan 2008-2015;
- Economic Infrastructure Strategy and Investment Plan 2011.
- Draft Water, Sanitation and Hygiene Policy 2011

The summary below provides an overview of the degree to which climate change has been mainstreamed in these key documents, while further details are given in Annex 2. The *draft Climate Change Policy and Climate Change Adaptation and Disaster Risk Management Framework* (RONAdapt), *National Energy Policy* and *National Water, Sanitation and Hygiene Implementation Plan* were unavailable for review. The Nauru Climate Change Finance Case Study done by the Pacific Islands Forum Secretariat (PIFS) was not examined.

1.1 Incorporation of climate change into national policy objectives

The *Climate Change Policy and Climate Change Adaptation and Disaster Risk Management Framework* (RONAdapt) will, when implemented, be the key tool for articulating Nauru’s climate change priorities and setting out future strategies for action. At present, there are no targets in the *National Sustainable Development Strategy* related to climate change specifically, and inclusion in sectoral plans is also limited.

The *National Sustainable Development Strategy* (NSDS, revised 2009) provides the strategic planning framework for the country’s economic, social and environmental development. The 2009 revision strengthens strategies and milestones related to the environment, including building resilience to the effects of climate change. The NSDS highlights that the additional costs imposed by the effects of climate change – undermining food and water security, coastal erosion, damage to marine ecosystems and public health – will strain the federal budget and divert resources away from other important activities like education and economic development. There are no specific climate change-related targets articulated in the NSDS. There are targets relating to energy and water, although these are not reflected in the sector strategies reviewed.

Although climate change is identified as a development issue in the NSDS, the only sector strategy to specifically address climate change is that for water and health:

- The *Draft Water, Sanitation and Hygiene Policy 2011* identifies climate variability and water resource vulnerability as a key issue to be addressed, and requires climate change adaptation plans to be prepared. It refers to the National Water, Sanitation and Hygiene Implementation Plan (NWSHIP), which sets out a 15 year program of activities, and includes specific outputs and indicators.
- The *Energy Efficiency Action Plan* makes no specific reference to climate change, but is seen as a means to alleviate poverty and promote development.
- The *Economic Infrastructure Strategy and Investment Plan* states: “Given the primacy of other key infrastructure, no significant proposals for building rehabilitation or climate change adaptation have been considered at this time”.

1.2 Defined responsibilities for climate objectives

Coordination of climate change is largely centralised in the Ministry of Commerce, Industry and Environment, though the degree of coordination across sectors and between national plans is difficult to determine.

A review of the institutional structure to support delivery of Nauru's climate change program as part of the recent Pacific Climate Change Finance Assessment (2013) indicated that the flow of climate change related information between key line ministries was limited and several parts of government had insufficient capacity to undertake their climate change related responsibilities. It also found that there was also a lack of clarity around roles and responsibilities with respect to climate change.

Management of climate change is coordinated and facilitated through the Ministry of Commerce, Industry and Environment (CIE), which is also responsible for implementing the *National Water, Sanitation and Hygiene Policy*. CIE also serves as the Global Environment Facility (GEF) operational focal point. All climate change and climate change-related programmes, projects and activities implemented nationally and support through bilateral, regional and international assistance are managed and coordinated through the CIE. The Department of the Environment is the lead agency for implementing the NSDS. The Department of Foreign Affairs and Trade (DFAT) acts as the national focal point for the United Nations Framework Convention on Climate Change (UNFCCC).

In the water sector, the Integrated Water Resource Management (IWRM) project established a national water APEX body which was expanded to include energy and waste. It is unclear how this interacts with the CIE. The *Water, Sanitation and Hygiene Policy* refers to the establishment by CIE of a whole-of-government-agency-community stakeholder steering committee to oversee water and sanitation projects and provide an integrated approach to national water management. It is unclear whether this has replaced the APEX body.

The United Nations Development Programme (UNDP) is the main implementing agency of the GEF for Nauru.

1.3 Specific climate-related activities defined and planned for

The NSDS points to the need to better incorporate climate change considerations into national and sectoral plans. Those actions that are pointed at so far relate mostly to building capacity and developing action plans, though the infrastructure sector has a dedicated program of works that could be of relevance to adaptation goals.

Under the *National Sustainable Development Strategy 2009*, strategies and actions relevant to climate change include:

- Reviewing policies and plans to incorporate climate change considerations;
- Strengthening co-ordination mechanisms for water, energy, climate change and waste;
- Developing locally-tailored approaches and initiatives to mitigate the causes of climate change and adapt to its impacts;
- Developing a National Adaptation Program of Action; and
- Strengthening the resilience of the water sector to drought by 30% through improvements to rainwater harvesting infrastructure (via the PACC program).

At the sectoral level:

- The *National Water, Sanitation and Hygiene Policy* calls for two water and sanitation specialists to be appointed, one of which is to focus on water supply services, climate variability and change, and community engagement.
- The *National Infrastructure Strategy and Implementation Plan* (and, it is understood, the implementation plan for water, sanitation and hygiene) identify a program of infrastructure requirements worth approximately AUD\$15 million. It is expected that many of these projects

will be funded by development partners.

1.4 Budgets for implementation of climate objectives

Sectoral implementation plans for water and energy do not include costed activities. Adopting a broader definition of which activities are related to climate change would assist the government identify additional opportunities to both respond to climate change and deliver on other development goals.

Under the NSDS, each ministry and department is required to prepare an Annual Operational Plan, based on budget allocations and development assistance programs, to show what activities can be carried out in the budget year to implement its sectoral strategies and work towards achieving key milestones.

There are implementation plans for energy and water but, although they include timelines, the activities are not costed.

An Aid Management Unit (AMU) has been established within the Department of Finance to oversee and coordinate all assistance received from developed countries and donors. At the implementation level, departments are expected to monitor the progress of each project and the AMU provides additional oversight. In terms of external finance, donor programs have focused on the water and energy sectors. Funding was provided by the EU, through the EDF 9 REP 5 program, to develop the Energy Efficiency Action Plan. Information to distill the levels of funding to various programmes and projects was not available for review. ADB supported the development of a Nauru Trust Fund in 2011, but this has not progressed.

The Pacific Climate Change Finance Assessment (2013) states: “The GoN’s relatively narrow interpretation or definition of what climate change finance is has implications on how funds available to address Nauru’s climate change needs are tracked and sourced and how roles and responsibilities and resources are allocated internally. A broader definition of the activities related to climate change should be adopted, to assist the (government of Nauru to) identify additional opportunities for engagement on the issue and to more accurately reflect the total resources being applied to climate change relevant activities in Nauru.”¹

1.5 Frameworks for monitoring and reporting on implementation

There are no clear monitoring and reporting frameworks detailed for the implementation of climate-related objectives.

The NSDS 2009 proposes the publication of an Annual Development Plan to monitor progress.

The outcomes of the *National Water, Sanitation and Hygiene Implementation Plan* are to be reported annually to Cabinet by the whole-of-government National Water, Sanitation and Hygiene Committee through the Nauru Development Committee.

There was no evidence sighted to ascertain whether these reporting processes are yet in place.

1.6 Policy coherence and consistency

At a general level, the specific climate change focus of the National Water, Sanitation and Hygiene Policy is consistent with the risks flagged in the NSDS.

In terms of the harmonisation of donor activities with national priorities, donor programs do not

¹ Pacific Islands Forum Secretariat (2013). Pacific Climate Change Finance Assessment – Nauru Case Study: Executive Summary.

appear to be well aligned to sector plans, despite there being significant investment in the water and energy sectors. This may be addressed in the upcoming NSDS review.

1.7 Stakeholder support and ownership

There are signs of some political engagement with the issue of climate change, though wider stakeholder awareness and buy-in, including within government, would help build momentum to mainstreaming efforts.

In broad terms, there is some degree of political engagement with climate change issues. Nauru has played a significant role in global climate change discussions on behalf of the region, through its role as Chair of the Alliance of Small Islands States (AOSIS), and played a pioneering role in the Pacific region's efforts to improve development effectiveness, through undertaking the first Peer Review under the Forum Compact. Nauru has continued this leadership role by being the first country to undertake a national climate change finance assessment in line with the PCCFAF. This enabled refinement of the PCCFAF methodology following distribution of the Preliminary Report at the 2012 Pacific Islands Forum.

Stakeholder involvement in preparing the NSDS is unclear. Given the Ministry of CIE's central positioning in the current arrangements for coordinating both climate change responses and water planning, they will need to play an important role in building momentum within and beyond government, as well as for further policy development and for implementation.

Annex 1

Sector Evaluation - Nauru Water, Sanitation and Hygiene Policy 2011

The *Nauru Water, Sanitation and Hygiene Policy* is a key document for creating an institutional, legislative, regulatory and policy framework for integrated management of water and sanitation. It acknowledges that climate change may add to the complexity of water management.

It is a broad statement of intent, which identifies policy outcomes to be achieved. There are no specific actions and no implementation plan, but the policy identifies the Department of Commerce, Industry and Environment as the lead agency for implementation. It also refers to a National Water, Sanitation and Hygiene Implementation Plan (NWSHIP), but was not available for review.

In relation to climate change, it specifies that climate change adaptation plans are to be developed, which will be progressed through the Republic of Nauru Climate Change Adaptation and Disaster Risk Reduction Framework (RONAdapt), currently under preparation.

Although the Department of Commerce, Industry and Environment Project Steering Committee (CPSC) is charged with monitoring progress against the outcomes of the policy, there are no details on how the operational plans of the various nominated ministries will contribute to the achievement of the policy objectives.

Table A1. Review of Sector Plan

Plan objectives and outcomes	
Are objectives clearly defined?	Policy Goal No 1 states that climate variability is to be incorporated in all aspects of water and sanitation management
How do the objectives relate to national CC priorities as expressed in the national climate change policy (if applicable) and the national development plan?	The first strategy in the Water and Sanitation component of the comprehensive Nauru National Sustainable Development Strategy (NNSDS) 2005-2025 (revised October 2009) is: <i>Develop a national water resource management policy to guide the sustainable use and management of water resources in Nauru</i>
Does the plan contain CC-related outcomes, targets and/or indicators?	Climate change adaptation plans are to be developed, as well as drought contingency plans, heavy rainfall contingency plans and creation of early warning systems for droughts
Are actions prioritized, costed and sequenced?	No. The policy refers to an overall infrastructure cost of A\$15m.
Consistency of donor programs with policy objectives	There is significant investment in water resource management through the PACC and IWRM projects, consistent with the policy objectives. It was not possible to assess whether they link to specific actions in the NWSHIP.
Plan development	
Which ministries were involved in the development of the plan? Was the Ministry of Finance involved?	The policy was developed through the whole-of-government and community CIE Project Steering Committee (CPSC) assisted by the Water Technical Committee.
Implementation	
Is there an implementation plan? Which agency/agencies are responsible for implementation?	The policy refers to a National Water, Sanitation and Hygiene Implementation Plan, but this was unavailable for review. Implementation in relation to climate change will be achieved

	<p>through the Republic of Nauru Climate Change Adaptation and Disaster Risk Reduction Framework (RONAdapt), currently under preparation.</p> <p>The Department of Commerce, Industry and Environment (CIE) is nominated as the lead agency responsible for implementation of the policy. Other key agencies identified are the Department of Health, the Nauru Utilities Authority, Nauru Rehabilitation Corporation, Department of Education, Department of Finance and Sustainable Development, and the Ministry of Home Affairs.</p> <p>The policy recommends the establishment of a water unit within the lead Ministry to focus national initiatives in water, sanitation and hygiene and to lead implementation of the policy.</p> <p>It also recommends the creation of a peak whole-of-government and community national water, sanitation and hygiene committee, hosted by CIE, under the NDC, using CPSC as a basis, to oversee the implementation process.</p>
How will the actions be financed?	The policy anticipates that donor funding will finance many of the identified projects.
How is the plan aligned with the budget process? Is there an example of a relevant ministry operational plan?	The policy does not mention this.
Is expenditure consistent with the plan?	Unable to assess
Monitoring and evaluation	
How are the outcomes monitored?	It is not known whether a monitoring framework has been developed by the CPSC?
What are the reporting arrangements?	Monitoring of the policy and review of the outcomes will be carried out by the CPSC who will report to NDC
How are the results communicated/publicized?	Not specified
How often is the plan reviewed, and how?	Progress on the NWSHP and Implementation Plan are to be reported annually by the peak National Water, Sanitation and Hygiene Committee to Cabinet through the NDC. Both are to be formally reviewed five years after being endorsed.

Annex 2

Evaluation of policies, plans and strategies

CC specific objectives	Strategies	Outcomes/results	Implementation plan/monitoring and review	Links to other plans re CC	Commentary
Nauru Sustainable Development Plan 2009					
<p><u>Goal:</u> Sustainable use and management of the environment and natural resources</p>	<p>Reviewing policies and plans to incorporate climate change considerations</p> <p>Strengthening co-ordination mechanisms for water, energy, climate change and waste</p> <p>Developing locally-tailored approaches and initiatives to mitigate the causes of climate change and adapt to its impacts</p> <p>Developing a National Adaptation Program of Action</p> <p>Strengthening the resilience of the water sector to drought through improvements to rainwater harvesting infrastructure (via the PACC program)</p>	<p>Key milestones relating to climate change:</p> <p>National Adaptation Program of Action developed</p> <p>Water sector resilient to impacts of drought resulting from global warming and climate change by at least 30 percent</p> <p>50% of energy supply from renewable sources by 2015 – not specifically linked to climate change</p>	<p>The plan proposes an annual development review</p> <p>Key indicator: number of national and sector policies, plans and programs in which environmental issues have been integrated</p> <p>Lead agency: Department of Environment</p>	<p>A general reference is made to reviewing national and sector plans to incorporate climate change considerations</p>	<p>The SDP acknowledges that Nauru has severe capacity constraints to implementing its strategies</p>
Climate Change Policy and Climate Change Adaptation and Disaster Risk Management Framework (RONAdapt) under preparation					
N/A					
National Energy Policy - Energy Efficiency Action Plan 2008-2015					
<p>Seen as a means of poverty alleviation – does not mention climate change (developed using EDF 9 funds)</p>		<p>Nauru is presently developing a national energy policy in which it hopes to increase the share of renewable energy in its energy mix by 10% by year 2020.</p> <p>The addition of renewable energy and energy efficiency</p>			

		measures has an estimated potential of reduction of 35% of Nauru's 2013 GHG predicted values.			
Economic Infrastructure Strategy and Investment Plan 2011					
Given the primacy of other key infrastructure, no significant proposals for building rehabilitation or climate change adaptation have been considered at this time					
Draft Water Policy 2011					
Identifies climate variability and water resource vulnerability as a key issue to be addressed	Climate change adaptation plans to be developed (as well as drought contingency plans, heavy rainfall contingency plans and creation of early warning systems for droughts		A peak whole-of-government and community national water, sanitation and hygiene committee, hosted by CIE, should be created under the NDC, using CPSC as a basis, to oversee the implementation process and to report to Cabinet through the NDC on progress Refers to a National Water, Sanitation and Hygiene Implementation Plan	Refers to NSDS goals: Provide a reliable, safe, affordable, secure and sustainable water supply to meet socio-economic development needs. Effective management of waste and pollution that minimizes negative impacts on public health and environment. Sustainable use and management of the environment and natural resources for present and future generations	

Annex 3

Public financial management roadmap: summary of the progress of PFM systems

In addition to mainstreaming of climate change, three other criteria are important as precursors to being considered for budget support by international development assistance partners, namely a stable macro economic framework, a public finance reform process underway, and a clear and transparent budget process. These all relate to public financial management.

Nauru has adopted the pursuit of a stable macroeconomic environment as a policy goal; however the existing policy of utilising finite resources for the short term makes longer term sustainability uncertain. As part of improving the macroeconomic environment it is to adopt a sustainable debt management policy and to address concerns associated with revenue and taxation policy.

It was not possible to assess the extent to which existing Government policy is directed to wealth and job creation. Government action was required to address equitable education requirements and access to social services. Policy with respect to climate change is directed towards improving climate change resilience.

The PEFA assessment conducted in 2010 outlined some of the pressing issues relating to Nauru's public finance management system:

1. Non-sustainable debt levels, which are currently in excess of AUD 520 million and more than 30 times the domestic revenues generated per annum.
2. Vulnerability to phosphate demand and price fluctuations due to limited diversification in local industries.
3. Reliance on SOEs in the public sector, which have been largely unaccountable.

The peer-review of the Republic of Nauru under the Cairns Compact for Strengthening Development Coordination in the Pacific recommended a number of pertinent actions to strengthen coordination, planning and budgetary processes in Nauru, including: (i) the need for Australia and the European Union to work with Nauru to accelerate the transition from current forms of support to budget support, in ways that look at public financial and public service systems as a whole; (ii) that all development partners agree to use the PEFA assessment and any public financial reform programme arising from it as the basis for the provision of funding and technical assistance; and (iii) that the Government of Nauru convene a public financial management working group with interested development partners to discuss and track a reform programme.

Following the PEFA assessment, Nauru volunteered to have its national planning and budgetary processes peer-reviewed under the Cairns Compact for Strengthening Development Coordination in the Pacific.

The Pacific Climate Change Finance Assessment, completed in May 2013, concludes that, although climate change has been recognized in Nauru's National Sustainable Development Strategy and the GoN is in the process of developing a climate change policy statement, and a Joint National Action Plan on Climate Change Adaptation and Disaster Risk Management, climate change has not been fully integrated into national, sectoral or thematic strategies and associated GoN systems and processes.

It recommends the development of mechanisms to more effectively track climate change expenditure by the GoN and its development partners; and the strengthening of measures to consider sectoral policies and plans, including those relating to climate change, as part of national budget processes. The study also identified that there were significant lack of institutional capacity in the agencies responsible for the potential management of climate change finances. This is being addressed through the PFM reform program which needs to also improve the audit reporting and availability of monitoring information.

Modalities

The Pacific Climate Change Finance Assessment (2013) states: "The GoN's relatively narrow interpretation or definition of what climate change finance is has implications on how funds available to address Nauru's climate change needs are tracked and sourced and how roles and responsibilities and resources are allocated internally. A broader definition of climate change should be adopted, to assist the GoN identify additional opportunities for engagement on the issue and to more accurately reflect the total resources being applied to climate change relevant activities in Nauru."

Direct budget support has been provided by:

- The Australian Government in 2011-12 for hiring expatriate staff and for funding capital works and equipment, including diesel generators at the power plant;
- The Republic of China (ROC) –Taiwan in 2007–2008 to fund general government expenditures; and
- The Japanese government in 2008–2009 (and beyond 2009) for diesel fuel purchases. It has also funded rainwater catchment systems for use on community buildings.

The ADB launched a technical assistance programme in December 2010 to assist the Government of Nauru establish an intergenerational trust fund (ITF). The ITF would provide a source of revenue in support of future government expenditures. This technical assistance is part of a broader public financial management reform focusing on: (i) improved public financial management; (ii) improved corporate governance and performance of SOEs; and (iii) a social safety net and support for vulnerable people. The technical assistance will also address public financial management weaknesses identified in the Public Expenditure and Financial Accountability (PEFA) assessment in late 2010.

The GoN included, in its 2011-12 budget paper, a provision to invest \$200,000 into the fund as an initial contribution, with an intention to contribute \$1.00 per tonne of phosphate exported. It also allocated \$2 million under the Asian Development Fund (ADF) grant of the ADB as an additional cash injection to the Trust Fund. (Republic of Nauru 2011-12 Budget Paper 2)

A summary of the progress of PEFA assessments, reviews and PFM Roadmaps is presented below.

PEFA & PFM Roadmaps/status	Reviews/outcomes	Progress/proposed actions	Trust/other relevant funds
<p>No roadmap available</p> <p>PEFA assessment 2010</p> <p>Pacific Climate Change Finance Assessment 2012</p> <p>Non-sustainable debt levels, which are currently in excess of AUD520 million and more than 30 times the domestic revenues generated per annum.</p> <p>Vulnerability to phosphate demand and price fluctuations due to limited diversification in local industries.</p> <p>Reliance on SOEs in the public sector, which have been largely unaccountable.</p>	<p>Peer review 2010:</p> <p>Australia and the European Union to work with Nauru to accelerate the transition from current forms of support to budget support</p> <p>All development partners agree to use the PEFA assessment as the basis for the provision of funding and technical assistance</p> <p>GON convene a public financial management working group with interested development partners to discuss and track a reform programme.</p> <p>Pacific Climate Change Finance Assessment 2013:</p> <p>Climate change has been recognized in Nauru's National Sustainable Development Strategy. The GoN is in the process of developing a climate change policy statement, and a Joint National Action Plan on Climate Change Adaptation and Disaster Risk</p>	<p>Issues recognized in the PEFA assessment:</p> <ul style="list-style-type: none"> • Debt levels • Performance of SOEs <p>Actions from the Peer review:</p> <ul style="list-style-type: none"> • Donor co-ordination and move to budget support <p>Actions from the Pacific Climate Change Finance Assessment:</p> <ul style="list-style-type: none"> • Development of mechanisms to more effectively track climate change expenditure • Strengthening of measures to consider sectoral policies and plans, including those relating to climate change, as part of national budget processes. 	<p>ADB supported development of Nauru Trust Fund in 2011 but this has not progressed</p>

	Management. Climate change has not been fully integrated into national, sectoral or thematic strategies and associated GoN systems and processes.		
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