

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

## Niue

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 Niue.

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

| Criteria   | Overall assessment  |
|--|---|
| <b>Objectives related to climate change</b> are present in national development and environment policies, as well as in key sectoral policies  | Climate change already features across many key policies, and the Joint National Action Plan identifies further mainstreaming as a priority.  |
| <b>Responsibilities</b> for responding to climate change are clearly defined within government   | There are a number of government departments and national committees with overlapping responsibilities. Each national plan recommends its own institutional arrangements for implementation and co-ordination.  |
| <b>Specific climate-related activities</b> are outlined and planned for in these documents   | Policies and plans tend to consist of broad statements of intent rather than be focused on specific activities. There are few outcomes and targets in national or sector plans.   |
| <b>Budgets</b> are clearly allocated for the above activities  | The links between the government policy, the NNSP and the budget have been critiqued as weak. Although departments have corporate plans, the costed sector plans envisaged in the NNSP have not been developed. Moreover, the possibility of attracting external resources is likely to be constrained while policies lack clear outcomes and targets, costed implementation plans, and mechanisms for monitoring and evaluation. |
| <b>Monitoring and evaluation frameworks</b> are in place for following up on delivery of climate objectives and implementation of activities   | There are no detailed implementation plans and no mechanisms or process for monitoring and evaluation.  |
| The various policies and plans are <b>coherent</b> on the issue of climate change  | The linkages between national and sector plans relating to climate change are not clear, and there are a number of overlapping strategies and actions.  |
| The climate-related goals in these policies and plans have the <b>buy-in of different stakeholders</b> , meaning they are accepted, supported and promoted across government and within civil society and, ultimately, local communities | Insufficient information available for review.  |

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, Niue's public financial management roadmap.

## **Recommendations**

The following actions would improve mainstreaming efforts:

1. Inclusion in the Niue National Strategic Plan of clear outcomes and achievable targets that relate to responding to climate change.
2. Implementing a review of policies and plans to incorporate climate change considerations, including clear outcomes, targets, and actions that are prioritised and costed.
3. Establishment of a monitoring and evaluation framework for sector plans, linked to the medium-term budgetary framework.
4. Identification of climate-related expenditure within departmental budgets, and a process for ensuring better alignment of climate change funds from development partners with sector plans and with 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 Niue. 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:

- Niue National Strategic Plan (NNSP) 2009-2013;
- National Climate Change Policy 2009;
- Joint National Action Plan for Disaster Risk Management and Climate Change (JNAP) 2012;
- National Energy Policy and Action Plan 2005;
- Sustainable Coastal Development Policy 2008;
- National Action Plan Addressing Land Degradation and Drought 2004;
- Climate Change and Health Plan 2012;
- National Youth Policy 2009-2013; and
- National Biodiversity Strategy and Action Plan (NBSAP) 2001.

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.

### 1.1 Incorporation of climate change into national policy objectives

Climate change already features across many key policies, and the Joint National Action Plan identifies further mainstreaming as a priority.

Niue's *National Climate Change Policy 2009* distinguishes between adaptation and mitigation activities. The former include reducing the vulnerability of water supplies, energy, infrastructure, tourism, ecosystems, agriculture, fisheries, forestry and the health sector. The latter are actions focused on energy efficiency and renewable energy development. The Policy includes strategies to:

- Integrate climate change considerations into national development initiatives, national and sector plans and strategies;
- Ensure climate change concerns and initiatives are appropriately reflected in financial resource allocation processes; and
- Ensure all relevant stakeholders including local communities, NGOs and private sector participate in development and implementation of climate change related initiatives.

An objective of Niue's *Joint National Action Plan for Disaster Risk Management and Climate Change (JNAP) 2012* is to mainstream climate change adaptation and disaster risk management into national economic development planning and budgetary processes; and into sector policies and plans. Relevant outcomes include (i) revisions to national budgetary and sectoral planning processes to integrated risk management considerations, and (ii) development consent regulations to incorporate DRM and climate change. There are no processes or timelines associated with achieving these.

Reducing the adverse effects of climate change and natural and non-natural disasters is one of seven environmental strategies in the *Niue National Strategic Plan 2009-2013* (NNSP). Key climate change actions and initiatives include adopting a government-wide approach to climate change and disaster risk management and enacting appropriate legislation; developing national action plans for mainstreaming climate change adaptation and disaster risk management; and incorporating relevant

climate change issues into all sectoral corporate plans by 2013. The NNSP also refers to mitigation objectives, including increasing the use of renewable energy.

The NNSP requires all sectors to incorporate relevant climate change issues into their Corporate Plans by 2013. Regarding specific sectoral plans:

- The *Energy Policy and Action Plan 2005* do not make a specific reference to climate change, but energy efficiency and renewable energy development are the country's main mitigation strategies, as identified by the *National Climate Change Policy*. The Plan contains a specific target for biomass fuel to meet 30% of total fuel consumption by 2015.
- The *Sustainable Coastal Development Policy 2008* includes a specific goal and associated objectives on disaster risk management. Action strategies are statements of intent, with no specific outcomes, targets or timelines, such as: "Appropriate mitigating and adaptive measures to address the consequences of sea-level rise, droughts and storm surges on the coastal resources should be included in the priorities of climate change programmes".
- The *National Action Plan Addressing Land Degradation and Drought 2004* does not contain any specific reference to climate change, except to note that it will be important to harmonize projects arising with other departmental activities, including those relating to climate change. There are no outcomes or targets in the plan.
- The *Climate Change and Health Plan 2012* identifies health vulnerabilities and states an intention to feedback into the JNAP, but does not include a mechanism to do so. It does not prioritize activities and timelines are either extremely short (i.e. 2012/13) or open-ended.
- The *National Biodiversity Strategy and Action Plan* proposes a sustainable logging program, which will potentially limit the vulnerability of the country's forest resources to climate change, but does not contain outcomes or targets. This is not referenced in the JNAP.
- The *National Youth Policy 2009-2013* aims to involve young people in climate change-related activities.

## 1.2 Defined responsibilities for climate objectives

There are a number of government departments and national committees with overlapping responsibilities. Each national plan recommends its own institutional arrangements for implementation and co-ordination.

There is no specific portfolio responsibility for climate change within the Niue Cabinet and there is no national committee for climate change.

The NNSP commits the Department of Environment (DoE) to co-ordinate climate change activities. The DoE is responsible for implementing the JNAP and co-ordinating climate-related activities across sectors. It also serves as the Operational Focal Point of the Global Environmental Facility and manages many programs and projects, including the Pacific Adaptation to Climate Change (PACC) project on water resources. The DoE was responsible for developing the *National Climate Change Policy* and co-ordinates its implementation.

A National Climate Change Country Team (NCCCT), together with technical working groups, was established under the auspices of the Niue Department of Meteorology and Climate Change (NDMCC), and the NDMCC is also responsible for implementing the NNSP and for preparing national communications to the UNFCCC.

Separate steering committees are in place for the externally-funded PACC and IWRM projects. The JNAP recommends the establishment of a National Climate Change DRM Committee, which could potentially incorporate the two project steering committees, although this intention has not been stated. There is also a National Disaster Council. In July this year, it was announced that Niue would be establishing a National Disaster Management Office (Article in Savali News, July 10, 2013).

There is little implementation detail in most of the national and sector plans, and they tend to recommend the establishment of their own specific institutional co-ordination mechanisms which, if realised, would create further overlapping functions and responsibilities.

### 1.3 Specific climate-related activities defined and planned for

Policies and plans tend to consist of broad statements of intent rather than be focused on specific activities. There are few outcomes and targets in national or sector plans.

The *National Climate Change Policy* does not include any specific outcomes or timelines to meet the NNSP targets of 2013. It calls for the development of a Climate Change Action Plan, which has not yet been developed.

The immediate implementation priorities of the JNAP are establishing a JNAP unit and incorporating DRR and climate change considerations into the Niue National Building Codes. There are no processes or timelines for these described in the JNAP itself.

In terms of sectoral action:

- It is unclear whether there are any projects or activities underway to achieve the *Energy Action Plan* target for biomass fuel to meet 30% of total fuel consumption by 2015.
- The *Sustainable Coastal Development Policy 2008* calls for an implementation and monitoring plan to be developed, although it is uncertain whether this has been completed

The Adaptation Partnership (2011) notes a very low level of adaptation action in Niue, at both a policy and project/program level and that, through its involvement in the Pacific Action on Climate Change (PACC) project, Niue could also increase its capacity related to agriculture and water concerns.

The two main funded projects are the PACC project, which is focused on improving water infrastructure to increase the harvesting and water storage capacity of individual families and communities, and the Integrated Water Resources Management (IWRM) project, providing additional water storage, reducing risk of pollution to the groundwater supply and developing water management plans with the community. A proposal to the Adaptation Fund for reducing climate risks to food security through integrated community based adaptation measures and related institutional strengthening has not yet been successful.

### 1.4 Budgets for implementation of climate objectives

The links between the government policy, the NNSP and the budget have been critiqued as weak. Although departments have corporate plans, the costed sector plans envisaged in the NNSP have not been developed. Moreover, the possibility of attracting external resources is likely to be constrained while policies lack clear outcomes and targets, costed implementation plans, and mechanisms for monitoring and evaluation.

The NNSP requires the preparation of sector master plans linked to the NNSP, and three year departmental corporate plans aligned to the budget process. Annual national budgets with multi-year budget frameworks are based on the medium-term fiscal policy management framework. However, the Niue Public Financial Management Performance Report (PEFA assessment) 2011 found that, although departments have corporate plans, the costed sector plans envisaged in the NNSP have not been developed.

A 5-10 year Public Sector Investment Program (PSIP) is the vehicle for allocating capital and aid funding requirements of the NNSP. The PSIP is intended to form the core of project planning, programming and aid co-ordination and is linked to the annual budget cycle and medium term fiscal policy management framework. The NNSP does not specify whether the appraisal process incorporates criteria relevant to climate change. A recent copy was unavailable for review.

Recent changes to the budgeting process for the 2011/12 estimates are, according to the Niue Public Financial Management Performance Report 2011, moving the government towards a more policy-based system with a medium-term focus.

There is a low level of climate-related activity by development partners in Niue. The *National Climate Change Policy* is intended to support building local capacity to negotiate with development partners, and in regional and international fora generally, and improve access to funds. This is also a theme in the JNAP. However, this is less likely to be achieved without clear outcomes and targets, costed implementation plans, and mechanisms for monitoring and evaluation.

The Niue International Trust Fund was established in 2006 to lessen Niue's dependence on external assistance to meet the demands of its core budget. It is not expected that revenue from the fund will be drawn down until 2014.

### **1.5 Frameworks for monitoring and reporting on implementation**

There are no detailed implementation plans and no mechanisms or process for monitoring and evaluation.

The lack of clear outcomes and targets, together with an absence of a monitoring and evaluation framework, make it extremely difficult to assess whether climate change objectives are being achieved. For example, the NNSP calls for each department to prepare sector master plans linked to the NNSP and to prepare three year corporate plans in accordance with the NNSP and aligned to the budget process, but does not set out a process or mechanism to do so. Similarly, the *National Climate Change Policy* is to be reviewed annually, to feed into the budgetary process and to provide information for reporting to regional and international fora, however how this is to be aligned to the NNSP reporting or incorporated into operational plans is not specified.

The *Energy Action Plan* recommends annual reports to government on energy development, but contains no details on how this is to be achieved.

### **1.6 Policy coherence and consistency**

The linkages between national and sector plans relating to climate change are not clear, and there are a number of overlapping strategies and actions.

In general there appears to be good alignment between key policies and plans at the level of climate-related objectives, particularly between the NCCP, JNAP and NNSP. At the same time, there appears to be some overlap in the responsibilities of different agencies and committees (described above), which potentially makes cohesion difficult to achieve.

While some of the goals and objectives of Niue's policies and plans are ambitious, such as the *National Strategic Plan* target for Niue to become 100% carbon neutral by 2011, overall they tend to be generally framed with few specific outcomes and measurable targets.

It is not clear how those projects or programmes that have been externally funded relate to national objectives and priorities.

### **1.7 Stakeholder support and ownership**

No information was sighted during this review on the degree of involvement by different stakeholders in the process of developing climate-related policies, strategies and activities.

## Annex 1

### Sector Evaluation – Niue Climate Change and Health Action Plan 2012

Niue's *Climate Change and Health Plan 2012* is a direct response to the *National Climate Change Policy*. It is an intention of the plan that it feeds back into the JNAP, although it does not explain how.

The plan has a clear set of actions, although these are not yet prioritized, sequenced or costed. It is anticipated that the plan will be operationalised through Department of Health (DoH) work plans.

Arrangements for monitoring are not included in the plan, and there are no specific outcomes to be reported on. This aspect will need to be developed if it is to link effectively with the JNAP and attract funding from development partners.

**Table A1. Review of Sector Plan**

| Plan objectives and outcomes   |   |
|--|---|
| Are objectives clearly defined?  | The aim of the Climate Change and Health Plan 2012 is to enable the prioritization of climate change related health issues  |
| How do the objectives relate to national CC priorities as expressed in the national climate change policy (if applicable) and the national development plan? | Niue's National Climate Change Policy 2009 identified health as a vulnerable sector and calls for the development and implementation of appropriate adaptations to reduce vulnerabilities in each sector.<br><br>The National Strategic Plan proposes national action plans for mainstreaming climate change adaptation and disaster risk management to be developed by 2010  |
| Does the plan contain CC-related outcomes, targets and/or indicators?  | The purpose of the plan is to prioritize the activities of the health sector in relation to those health issues thought to be sensitive to changes in climate, in order to avoid the most serious impacts of climate change on the health of individuals and communities in Niue  |
| Are actions prioritized, costed and sequenced?   | The plan sets out a series of actions in relation to eight health issues to be undertaken in 2012/13 or ongoing, relating to vector-borne diseases, Ciguatera, diarrhoeal disease, respiratory disease, heat-related illness, non-communicable diseases, health impacts of extreme weather events and skin infections/infestations.<br><br>The overall risk of each climate-sensitive health issue is based on the <i>likelihood</i> of an increase in the burden of each health problem, given the "climate-sensitivity" of the respective diseases; and the <i>impact</i> of such an increase on individuals and communities in Niue, taking into account the current burden of these diseases and the capacity of the health sector to manage them.<br><br>There are no costings. The plan recommends that prompt consideration should be given to the respective costs and feasibility of the activities. |
| Consistency of donor programs  | The WHO funded the development of the plan. Otherwise, climate change funds are directed to water resource management and energy  |
| Plan development   |   |
| Which ministries were involved in the development of the plan? Was the Ministry of Finance involved?   | The development of the plan was facilitated by the University of Auckland and involved stakeholder interviews with Niue Police Health, Niue Public health department, Nurses' division and community health, as well as wide community consultation.  |
| Implementation   |   |

|   |  |
|---|--|
| Is there an implementation plan? Which agency/agencies are responsible for implementation?                    | There is no implementation plan, but there is a recommendation that the activities and strategies should be prioritized according to urgency and feasibility and included into the Department of Health (DoH) annual workplan.   |
| How will the actions be financed?   | There is a recommendation that the plan should be used as evidence of a thorough climate change and health vulnerability and adaptation assessment when approaching donors and other agencies for funding and technical support for health system strengthening and/or climate change adaptation |
| How is the plan aligned with the budget process? Is there an example of a relevant ministry operational plan? | Prioritized activities are to be included in DoH annual workplans.<br>An example of a workplan was unavailable for review.   |
| Is expenditure consistent with the plan?  | Not known  |
| <b>Monitoring and evaluation</b>  |  |
| How are the outcomes monitored?   | Not detailed (the plan is also intended to feed back into the JNAP, but the method is not specified)   |
| What are the reporting arrangements?  | Not detailed   |
| How are the results communicated/publicized?  | Not specified, but the plan recommends awareness raising activities in schools and in the general community  |
| How often is the plan reviewed, and how?  | This CC&H Plan should be reviewed and updated on a regular basis to incorporate new information and reflect contemporary concerns  |

## Annex 2

### Evaluation of policies, plans and strategies

| CC specific objectives   | Strategies   | Outcomes/results  | Implementation plan  | Links to other plans re CC   | Lead agency   |
|--|--|---|--|--|---|
| <b>Niue National Strategic Plan 2009-2013</b>  |  |   |  |  |   |
| Establish a coordinated disaster risk reduction and management approach to natural and human induced natural disasters, including climate change                                   | <p>Adoption of a government-wide approach and stakeholder-driven public-private partnership towards disaster risk reduction and management efforts by 2009</p> <p>Enact legislation for disaster risk reduction and management by 2010</p> <p>National Action Plans for mainstreaming climate change adaptation and disaster risk management developed and implemented reflecting the Pacific Islands Funds for Adaptation and Climate Change and Disaster Risk Reduction and Management Framework by 2010</p> <p>All sectors to incorporate relevant climate change issues into their Corporate Plans by 2013</p> | <p>Number of adaptation and mitigation program initiatives developed and implemented increased by 50% by 2013</p> <p>Become 100% Carbon Neutral by 2011</p>                             | <p>Each department to prepare sector master plans linked to the NNSP</p> <p>Each department also to prepare three year corporate plans in accordance with the NNSP and aligned to the budget process</p> | Not specified, but would be via sector master plans  | <p>Niue Disaster Council (NDC)</p> <p>Police</p> <p>Niue Meteorological Service (NMS)</p> <p>Environment Department</p> |
| <b>National Climate Change Policy 2009</b>   |  |   |  |  |   |
| <b>Goal: to promote understanding of and formulate appropriate responses to the causes and effects of climate change in support of national sustainable development objectives</b> |  |   |  |  |   |
| <p>Awareness raising</p> <p>Data collection</p> <p>Adaptation</p>  | <p>Climate change communications strategy</p> <p>Educational and promotional programs</p> <p>National partnerships with NGOs and the private sector to raise awareness and target special interest groups</p>  | <p>Expected benefits:</p> <p>Improved public awareness and stakeholder knowledge of climate change issues, leading to better and informed decision-making</p> <p>Sound and reliable</p> | <p>National Climate Change Unit and Steering Committee to be established.</p> <p>Action plan to be developed</p> <p>Progress to be reviewed on an annual basis through the budget process, with</p>      | NNSP 2009-2013 highlights priority environmental concerns, including the need to address the effects of climate change | There appears to have been little progress on establishing a national committee or developing an action plan,           |

|   |   |   |   |  |  |
|---|---|---|---|--|--|
| <p>Mitigation</p> <p>Governance and mainstreaming</p> <p>Regional and international community</p> | <p>Incorporate climate change advocacy into school curriculum, as appropriate</p> <p>Co-ordinate and disseminate promotional resources</p> <p>Develop integrated approach to data management</p> <p>Strengthen and develop local technical capacity to effectively manage climate related data</p> <p>Analyze and disseminate climate change information in a way that is useful for policy makers and stakeholders</p> <p>Identify vulnerable areas and sectors, including water, energy, infrastructure, tourism, natural ecosystems, agriculture, fisheries, forestry and health</p> <p>Enhance local capacity to undertake technical V&amp;A and CBA assessments</p> <p>Appropriate technology transfer</p> <p>Promote use of traditional knowledge and practices</p> <p>Strengthen national disaster preparedness and disaster management plans</p> <p>Develop renewable energy technologies</p> <p>Promote energy efficiency in electricity, buildings, transportation, industry, agriculture and forestry</p> <p>Technology transfer and capacity building</p> <p>Planning and policy</p> <p>Budget/resource allocation processes</p> <p>Engagement of NGOs and stakeholders</p> | <p>information available for environmental planning and assessment</p> <p>Strengthened national capacity to respond to climate change</p> <p>Targeted action on climate change mitigation and adaptation</p> <p>Enhanced international cooperation and partnerships on climate change initiatives</p> | <p>independent evaluation every five years.</p> | <p>Policy provides the linkages between climate change and national development through improved planning and assessment and implementation of adaptation and mitigation initiatives</p> <p>The policy is also a response to the commitments made by Niue to international commitments</p> <p>The policy is intended to promote links with, but not supersede, national and sector plans</p> | <p>although the JNAP is effectively the vehicle for implementing CC adaptation and mitigation activities</p> |
|---|---|---|---|--|--|

|   |  |  |   |  |  |
|---|--|--|---|--|--|
|   | <p>Establish a national climate change unit and steering committee</p> <p>Review legislation and plans as necessary</p> <p>Effective implementation of instruments to which Niue is a party</p> <p>Collaborate with development partners to strengthen institutional and human capacity</p> <p>Enhance local capacity to access external funding mechanisms</p> <p>Effective representation of Niue's interests in international CC negotiations</p>   |  |   |  |  |
| <b>JNAP 2012</b>  |  |  |   |  |  |
| <p>Goal 1: strong and effective institutional basis for disaster risk reduction and climate change adaptation</p> <p>Strong public awareness and improved understanding of CC causes and effects</p> <p>Strengthened livelihoods, community resilience, natural resources and assets</p> <p>Strengthened capacity to adapt renewable energy technologies and improve energy efficiency</p> <p>Strengthened disaster preparedness for effective response</p> | <p>Mainstream CC and DRR considerations at national level</p> <p>Build strong consultative and participatory community approach</p> <p>Establish a Steering Committee to coordinate CCA and DRR activities and to oversee the JNAP unit</p> <p>Establish and fund a JNAP Unit within the Department of Environment</p> <p>Incorporate DRR and CC considerations into Niue's National Building Code</p> <p>Develop an integrated risk based approach to land use and development</p> <p>Build national and local capacity to access external funding mechanisms</p> <p>Integrate traditional knowledge</p> <p>Share lessons and best practice</p> <p>Communications Strategy</p> <p>DRR and CC adaptation in School</p> | <p>Strategic entry points for mainstreaming of disaster and climate risk identified</p> <p>Revisions made to national budgetary and sectoral planning processes to integrated risk management considerations</p> <p>Enhanced capacity of policy makers to draw upon mainstreaming tools to effectively mainstream climate change and DRR/DRM where appropriate</p> <p>Development consent regulations incorporate DRM and climate change</p> <p>Guidelines for community engagement developed and utilized</p> | <p>Priorities for immediate implementation:</p> <p>Establish and fund a JNAP Unit</p> <p>Incorporate DRR and CC into Niue National Building Code</p> <p>Strengthen evacuation plans and strategies</p> <p>JNAP sets out the roles and responsibilities of the various committees, agencies and others, including church groups and the community</p> <p>JNAP Task Force to prepare communications strategy</p> <p>National Climate Change and DRM Committee responsible for monitoring the JNAP</p> | <p>Development of the JNAP was guided by:</p> <p>NNSP</p> <p>Niue National Climate Change Policy 2010</p> <p>Niue National Sustainable Coastal Development Policy 2009</p> <p>Niue National Emergency Plan 2009</p> <p>The Ecosystem Approach to Fisheries Management 2010</p> <p>Niue National Strategic Energy Policy and Action</p> |  |

|   |  |   |   |  |   |
|---|--|---|---|--|---|
|   | <p>curricula</p> <p>Distribute 2<sup>nd</sup> and develop 3<sup>rd</sup> National Communications Report</p> <p>Strengthen community-based programs</p> <p>Establish effective early warning systems</p> <p>Ensure food security</p> <p>Develop integrated information management system(s)</p> <p>Strengthen governance to support energy efficiency and renewable energy options</p> <p>Improve energy security</p> <p>Strengthen capacities to respond effectively to disasters</p> <p>Develop awareness of International and Regional Humanitarian Assistance</p> | <p>Increased community awareness of risks and capacity to conduct monitoring</p> <p>Centralized repository for data</p> |   | <p>Plan 2005</p> <p>Forest Policy 2004</p> |   |
| <b>National Energy Policy and Action Plan 2005</b>  |  |   |   |  |   |
| <p>The purpose of the policy is to make government's activities in the energy sector more transparent; build public confidence in the policy and the policy implementation process; clarify accountability and organizational roles; and achieve better communication and integration</p> | <p>To establish and maintain Niue Bulk Fuel Corporation, able to provide ongoing, cost-effective and reliable petroleum supply for Niue</p> <p>To establish and maintain an efficient, semi-autonomous and commercially orientated power corporation, the Niue Electrical Power Supply Authority (NEPSA)</p> <p>Develop and maintain a professional, independent and financially viable Niue Electrical Power Corporation (NPC) as the sole distributor of power</p> <p>Promote solar and wind energy; investigate tidal energy options.</p>                         | <p>Use of biomass fuel to meet 30% of total fuel consumption by 2015</p>  | <p>A number of actions in relation to pricing, supply, handling, product specification and safety</p> | <p>No specific reference</p>               | <p>Actions could be reviewed to align with NNSP, CC Policy and JNAP, with specific outcomes and measurable targets.</p> |
| <b>Sustainable Coastal Development Policy 2008</b>  |  |   |   |  |   |
| <p><u>Objective 5.2</u> To take into</p>  | <p>Include in CC programs mitigating and</p>   | <p>There are no outcomes or</p>   | <p>Implementation and</p>   | <p>The Policy was</p>                      | <p>Implementation</p>   |

|   |   |                 |   |  |  |
|---|---|-----------------|---|--|--|
| <p>consideration the potential and known consequences of climate change and associated sea-level rise in all coastal planning, management and development</p> | <p>adaptive measures to address the CC consequences on coastal resources</p> <p>Attention should be given to the dynamic, high-energy character of the coast, its complex biophysical and chemical processes, and local variability in the context of coastal development.</p> <p>Strengthen appropriate public education and awareness programs relating to the impacts of climate change on coastal areas and resources.</p> <p>A risk reduction and precautionary approach should be adopted under conditions of uncertainty</p> | <p>targets.</p> | <p>monitoring plan to be developed.</p> | <p>developed before the National Climate Change Policy and JNAP were prepared.</p> | <p>and monitoring plan can now be prepared to align with CC policy and JNAP.</p> |
|---|---|-----------------|---|--|--|

**National Action Plan Addressing Land Degradation and Drought 2004**

|  |  |   |  |  |  |
|--|--|---|--|--|--|
| <p>Identifies thematic areas, rather than objectives.</p> <p>No specific reference to climate change in any of the thematic areas.</p> | <p>Actions consist of broad statements of intent</p> | <p>There are no outcomes or targets</p> | <p>No implementation plan, but it refers to governance, including:</p> <p>Proposed establishment of the National Council for Sustainable Development under the mandate of the Environment Act;</p> <p>National Forest Policy; and the Village Council Ordinance.</p> <p>Establishment of benchmarks and indicators for effective monitoring.</p> <p>Periodic monitoring, assessment and update</p> <p>Utilization of the Integrated Environment and Land use Planning Guidelines as a working tool</p> | <p>Notes that it will be important to harmonize projects arising from this plan with other departmental activities, including those relating to climate change, particularly:</p> <p>Public Works Dept, (Land clearance and Water Supply)</p> <p>Dept of Environment,</p> <p>Department of Agriculture, Forestry and Fisheries and</p> <p>Department of Justice, Lands and</p> | <p>Notes that community awareness and education campaigns need to be better coordinated (Dept of Environment responsibility)</p> |
|--|--|---|--|--|--|

|  |   |  |   |   |  |
|--|---|--|---|---|--|
|  |   |  | Development of a Land Clearing Code of Practice   | Survey.                                   |  |
| <b>Climate Change and Health Plan 2012</b>                           |   |  |   |   |  |
| To enable the prioritization of climate change related health issues | <p>Vector-borne diseases:<br/>Control mosquito populations; improve public awareness to reduce risk of transmissions; adequate clinical capacity to manage outbreaks; improve co-ordination between clinics and environmental health</p> <p>Ciguatera:<br/>Identify species; public awareness; clinical capacity; improved co-ordination</p> <p>Diarrhea illness:<br/>Public awareness; safe water and food supplies; improve communication between health and other agencies</p> <p>Respiratory disease:<br/>Appropriate immunization coverage; improve knowledge on links between environment and respiratory diseases</p> <p>Heat-related illness:<br/>Improve public awareness; adequate heating and cooling in domestic and public buildings;</p> <p>NCDs:<br/>Incorporate CC considerations into NCD programs</p> <p>Health impacts of extreme weather events:<br/>Incorporate into national disaster plan</p> <p>Skin infections/infestations:<br/>Improve public awareness; prevent complications</p> | Recycling initiatives<br>Funded projects | Health information capacity very limited<br>Shortfall in resources for Environmental Health | It is intended to feed back into the JNAP |  |

| <b>National Youth Policy 2009-2013</b>   |  |   |   |   |  |
|--|--|---|---|---|--|
| Increased youth participation in environment and climate change initiatives  | Raise awareness on environment and climate change<br>Promote and increase youth participation in national and community environment and climate change initiatives                   | No specific outcomes.   | No implementation plan.   | No specific links to the Climate Change Policy or JNAP  | Activities could be linked to sector priorities outlined in operational plans.   |
| <b>NBSAP 2001</b>  |  |   |   |   |  |
| The underground water lens, which currently supplies Niue's freshwater requirements, is vulnerable to pollution from agricultural chemicals, industrial chemicals such as fuel oils, and domestic waste and sewage. It may also possibly be affected by any sea level rise associated with global climate change | Water conservation; water quality monitoring<br>Undertake research to determine possible impacts on the underground water from sea level rise due to global warming and other causes | Sustainable logging industry will avoid exacerbating impacts of climate change<br>Installation of rainwater tanks as backup supply and precautionary measure in case of pollution of groundwater lens | No implementation plan. It is not clear whether the plan has been reviewed regularly. | No specific links to other plans (however, this was prepared some years before the National Climate Change Policy or JNAP). | Could be reviewed to align more closely with the National Climate Change Policy, JNAP, and Sustainable Coastal Development Policy. |

## **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.

It was not possible to determine stability of the Niuean macroeconomic environment. The heavy reliance on New Zealand budget support to meet recurrent expenditures suggests that it is not sustainable. It does not have a debt history and has undertaken tax and revenue reforms to access greater domestic revenues.

Government policy is directed towards private sector development with the prioritisation of supporting infrastructure. The extent to which Government policy has been directed towards natural capital investment was difficult to determine however a policy of access to education and health services is part of the NNSP. As mentioned earlier policies with respect to climate change are not well aligned to national priorities.

The 2011 PEFA assessment found that the financial framework was comprehensive but did require updating, the budget was credible but it was difficult to determine the extent of involvement in its preparation. Following the provision of a new FMIS monthly reporting on the budget was occurring but it was unclear whether mid-year and end-of-year reports were carried out. External auditing is undertaken by New Zealand however these were not up to date.

The report concluded: ‘Niue is a very small community with a population of approximately 1,300. Its pool of skilled human resources is therefore limited. In addition there have been demands by the New Zealand Government for greater control of the staff budget and improvements in trading operations. It is widely recognized that in order for ongoing and planned reforms to be sustainable, it will be important that plans are realistic and buy-in obtained from all key stakeholders.’ It was not possible to determine if a formal PFM Reform program was prepared following the PEFA and if this is being implemented. The 2011 Peer Review confirmed the capacity constraints associated with the small population and that this limited key functions required for better financial management, particularly aid administration.

It notes that donor funding has been included in the budgeting process from 2011/12, which is significant given that donor funding represents approximately 50% of the total budget.

It comments on donor practices as follows: ‘NZAID is the most significant donor. Providing general budget support, targeted sector support and specific support to individual projects and programmes, the predictability of New Zealand’s support is critical for both Niue’s budgeting and cash management processes. Although general budget support has been disbursed regularly and on time, late notification of planned budget support has impacted negatively on Niue’s budgeting processes. Late approval of its other support programmes also introduces an element of uncertainty into Niue’s budgeting process, particularly with the inclusion from 2011/12 of donor funding into the estimates presented to the Assembly. Other donors such as Global Funds, UNDP and Secretariat of the Pacific Community (SPC) provide a comparatively small amount of funds and use a combination of their own and government procedures, whilst the EU is currently managing their funds outside the government system.’

#### *Modalities*

Niue receives direct budget support from New Zealand as part of its obligations under the constitution for economic and administrative purposes. Through budget support, New Zealand provides 57% of Niue’s recurrent budget and provides around two-thirds of the remainder of aid received by Niue.

The Niue International Trust Fund plays an important role in terms of fiscal stability. The NITF fund was established in 2006 with assistance from New Zealand and Australia, and it now contains \$41 million. The purpose of the fund is to lessen Niue's dependence on external assistance to meet the

demands of its core budget. It is not expected that revenue from the fund will be drawn down until 2014. Until then contributions will be made from time to time by New Zealand, Australia and other parties to continue building the fund's resources.

The Niue Development Bank was first established in 1993 and provides essential financial services, including business and micro loans for the economic and social development of Niue. Given the declining population of Niue, the Niue Development Bank is focusing on the key sectors of Tourism, Agriculture, Fisheries and Industry.

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

| PEFA & PFM Roadmaps/status   | Reviews/outcomes  | Progress/proposed actions  | Trust/other relevant funds  |
|--|---|--|---|
| <p>PFTAC supporting Niue to develop a PFM roadmap</p> <p>PEFA assessment 2011</p> <p>Recent changes to the budgeting process for the 2011/12 estimates are moving the Government towards a more policy-based system with a medium- term focus. Donor funding now included in estimates. Given the significance of donor funding (approx. 50%), notification of planned funding ahead of the start of the fiscal year and predictability of disbursements is of major importance for the government's planning, budgeting and cash flow forecasting. There is scope for donor and government improvement in this area</p> | <p>Due partly to severe cash constraints, links between government policy, the NNSP and the budget has been weak;</p> <p>Departments have corporate plans, but the costed sector plans envisaged in the NNSP have not been developed. Detailed forward year estimates have also only been introduced in the FY 2011/12. Budget process - technically the time allowed is relatively short. Cabinet approval is at detailed estimate stage and has not involved the setting of individual ceilings or allocations to administrative units.</p> <p>Donor funding has been included in the budgeting process since. Donor funding represents approximately 50% of the total budget.</p> <p>NZAID is the most significant donor. Providing general budget support, targeted sector support and specific support to individual projects and programmes. Although general budget support has been disbursed regularly and on time, late notification of planned budget support has impacted negatively on Niue's budgeting processes. Late approval of its other support programmes also introduces an element of uncertainty. Other donors such as GEF, UNDP and the SPC provide a comparatively small amount of funds and use a</p> | <p>PEFA assessment 2011:</p> <p>Niue is a very small community with a population of approximately 1,300. Its pool of skilled human resources is therefore limited. In addition there have been demands by the New Zealand Government for greater control of the staff budget and improvements in trading operations. It is widely recognized that in order for ongoing and planned reforms to be sustainable, it will be important that plans are realistic and buy-in obtained from all key stakeholders.</p> <p>PFTAC Country Strategy 2012-2014:</p> <p>Main focus will be to support PFM reforms and maintain the production of statistics to support policy making.</p> | <p>Niue International Trust Fund – set up in 2006 by the Governments of New Zealand, Australia and Niue. New Zealand is the main contributor to the fund, which is now valued at \$36 million. The purpose of the fund is to lessen Niue's dependence on external assistance to meet the demands of its core budget. Revenue from the fund is not expected to be drawn down before 2014. Until then, contributions will be made from time to time by New Zealand, Australia and other parties to continue building the fund's resources.</p> <p>National Development Bank – The Government of Niue wish to follow Palau's example, to create micro loans. This would require assistance in increasing the visibility of the system. Would require training to establish the program, knowledge sharing from Palau (twinning</p> |

|  |   |  |  |
|--|---|--|--|
|  | combination of their own and government procedures, whilst the EU is currently managing their funds outside the government system.’ |  | arrangements), and TA for capacity building. |
|--|---|--|--|