

Question 2.

- a. Tuvalu have not provided a framework for the mapping of the SAMOA Pathway to the Tuvalu National Strategy Sustainable Plan known as the Te Kakeega III (TKIII) 2016 – 2020, however TKIII captures and highlights Tuvalu development perceptions and needs which are linked to the SAMOA Pathway.

The Government of Tuvalu (GOT) monitored the TKIII on a quarterly basis and report to Cabinet and annually to Parliament. Monitoring of TKIII milestones provided the same monitoring outcome to the SAMOA Pathway given the relevance of its 15 priority areas reflected in TKIII 12 Goals.

Below is TKIII summary report of the years 2016 and 2017 indicators. The unachievable activities in 2016 and 2017 will be rolled over to 2018 and will be report in the first quarter of 2019.

		2016	2017
Strategic Areas	12		
Achieved		38	147
Ongoing		122	87
Not Achieved		17	24

- b. There are no other indicators used by GOT to assess progress on the implementation of the SAMOA Pathway except for TKIII.
- c. The 12 Goals of TKIII with their indicators are used to measure the SAMOA Pathway at the national level and Regional level too.

Question 3

1.a. The development of the ***Tuvalu National Strategy for Sustainable Development Plan 2016-2020 'Te Kakeega III (TKIII)'*** is one of the successful examples of the implementation of the SAMOA Pathway. The TKIII was conceived by the people of Tuvalu, in the preparatory stages, in the consultative phase, and during the final approval process. Te Kakeega III aligns with the goals of the UN Sustainable Development Agenda, the ***SIDS Accelerated Modalities of Action (SAMOA)*** Pathway, the achievements of previous National Strategic Development Plans, Te Kakeega (TKI) and Te Kakeega II (TKII) and the objectives of recent government Roadmaps. **The Malefatuga Declaration II** was produced from the TKIII for the period 2016-2020 which was signed by the Governor General Hon, Sir Iakoa Taea Italeli, the Prime Minister, Enele Sosene Sopoaga, the Chairperson of the TKIII Hon. Maatia Toafa, the Deputy Chairperson Hon. Kausea Natano and all the islands chiefs of Tuvalu. **The Malefatuga Declaration II** underscores the spirit of the Samoa Pathway for future development in Small Island Developing States, which includes implementation of the Barbados

Programme of Action (BPA) and the Mauritius Strategy. The Samoa Pathway presents a basis for action in 15 priority areas; most have specific relevance for Tuvalu:

- Sustained and sustainable, inclusive and equitable economic growth with decent work for all;
- Climate Change
- Sustainable Energy
- Disaster Risk Reduction
- Oceans and Seas
- Food Security and Nutrition
- Water and Sanitation
- Sustainable Transportation
- Sustainable production and consumption
- Management of chemical waste, including hazardous
- Health and Non-Communicable diseases;
- Gender equality and women;s empowerment
- Social Development [incl. Education]
- Biodiversity

a. Climate Change is Strategic Area 1 decided by the National Summit to be of Priority due to the severity of its impacts to the environment and especially the lives of the people of Tuvalu. There have been a lot of successful development from this Strategic Area, one being the establishment of the *Tuvalu Survival Fund (TSF)*. It was established to finance climate change adaptation investments, and recovery from climate change impacts and natural disasters. The TSF will make available extra budgetary resources as needed, which will lessen claims on resources for normal government services in the event of immediate and unforeseen impacts from climate change or disaster recovery. The TSF also augments multilateral funding for additional climate change investments and environmental protection, such as the GCF, AF, LDCF, SCCF and GEF (Section 1). Each of these funding sources –mostly stand-alone, but complimentary tools to combat climate change – can collectively dampen the economic impacts and instability that will stem from climate change adversity. The current balance of the TSF from the annual contributions from the Government’s Appropriated budget is AUD\$8 million. Regulations have already been put in place to effectively manage and operate the TSF.

b. The Tuvalu Trust Fund is also another successful story of Tuvalu’s efforts to effectively implement the SAMOA Pathway. The fund was set up in June 1987 (16 June 1987) with original parties Tuvalu, Australia,

New Zealand and UK with Japan and South Korea also contributed to the TTF within its first year but they were not part of the original contributors. UK has since pulled out (in 2004) but their contribution remains in the Trust Fund. Turkey also contributed to the Fund in 2015. Successive Tuvalu Governments have continued to put money into the Fund with Tuvalu's total contribution now at \$44 million. Currently, Australia and NZ continue to put money into the Fund. Total payments from TTF to the Government of Tuvalu over 30 years = \$101 million, in absolute terms or \$154 million in 2017 dollar terms. Of the \$101 million distributed, \$11.5 million was reinvested. The Current TTF's Maintained Value is at \$164.4 million with market value of \$172.3 million, as at 30 September 2017. The Government of Tuvalu is committed to reaching a maintained value of \$200 million by the year 2020. All Funds are invested overseas. Currently with two Fund Managers based in Sydney, Australia and overseen by a Fund Monitor/Investment Advisor. The Board is ultimately responsible for all investment decisions on the advice of the Investment Committee.

- c. For the very first time Tuvalu has a sector plan for developing the private sector. Previously private sector development has been a chapter in the Te Kakeega III series although we continually refer to it as Tuvalu's engine of growth. Now it has a plan of its own just as other sectors or ministries of government have their corporate or sector plans. This is one of the milestones in the TKIII with the objective: 'A forward direction in the promoting of private sector growth and action for more aggressive policies to support private sector growth.' Government of Tuvalu's involvement in the development and implementation of the TPS Development Plan is key to the success of the plan. While a lot more is required to lift the sector off the ground, the change in Government's policy orientation is a welcoming sign to the private sector. The expectation is that the Private Sector can be brought to life and continue to sustain growth path for the benefit of all. The plan drives to achieve the TKIII target of increasing Private Sector contribution to GDP to 40 percent.
- d. The continuous Government assistance to the Civil Society Organizations is indeed a successful story. The grants and subsidies that the Governments. The provision of Government Grant to Non-Government Organizations (NGOs) has been supported unanimously by the government to the effect of assisting financially NGOs in their service delivery to the public. For the past years this financial support had been continuous and pivotal on their existence. To date, there are ten (10) NGOs poised to receive this grant. In the Budget 2017, Government started to have a uniform grant for all NGOs of \$25,000 – an increase of 85% from an allocation of \$135,000 in 2016. Tuvalu Government supports its Non-Government Organizations and Public Enterprises as well as other key players in the economy through its grants and subsidies

mechanism. The ongoing support depicts the interest of the Government to work together with its stakeholders to ensure a productive economy.

- e. Tuvalu being able to tap into the Green Climate Funding with the Tuvalu Coastal Adaptation Project in 2017. With US\$36 million financing from the Green Climate Fund and US\$2.9 million co-financing from the Government of Tuvalu, the 7-year Tuvalu Coastal Adaptation Project will contribute to strengthening the resilience of one of the world's most vulnerable countries to climate change and sea-level rise. Implemented by the UN Development Programme in partnership with the Government, the project will improve coastal protection in key locations on the islands of Funafuti, Nanumea and Nanumaga. While these new measures will act as a buffer during storms, the project also strives to build the capacity of national and island governments and local communities in adapting to climate change in the longer term.
- i) These are considered success because of Tuvalu ownership, partnership assistance and the ongoing implementation and progress of these projects.
 - ii) The results with these ongoing projects reflected in Tuvalu's Annual Budget in regards with the assistances to the Private Sector and contributions to the TTF so as the TSF.
 - iii) The critical factors contributed to these programs are;
 - The trend of climate change which is of importance of the Government of Tuvalu in terms with its impacts
 - Continuous grants to the Private Sector as the Government has financial constraints too
 - Capacity building should be enhanced in both the public and private sectors
 - Ensure to build new partnerships
 - Improve ICT and Transportations

1.b. Lessons learned will be incorporate into line Ministries Corporate Plans so they may achieve by 2024.

4. Addressing Gaps and Challenges

a. Gaps and challenges are not new nor can be seen into the future to enable us in handling with the exact measurement to achieve the SAMOA pathway.

As the frequency and intensity of floods and cyclones increases, the island is shrinking and saltwater intrusion is affecting local food production on the plantations whereas food security is of paramount importance to the nation. Soil erosion is another major factor contributing to land loss and land damage hence land is the only means of connecting Tuvaluans to their traditions and culture.

Climate Change on the other hand has become Tuvalu Development Plan TKIII first goal to reflect its importance to Tuvalu given the seriousness of impacts its poses to the security and survival of Tuvaluans. The prospect of warming temperatures, sea level rise and severe weather events overhang the entire discussion of future development and the dangers some long term, more immediate cut across Tuvalu's development landscape.

Climate action and future climate financing now and in the future are enormous and therefore urgent actions in response to actions in response to climate change impacts are needed both at the local, regional and global level.

On the other hand, the cost of physical adaptation and mitigation to climate change will involve infrastructure work that generally require large up-front capital and long term maintenance costs where the financial costs is perhaps best illustrated in the in the unit cost for coastal zone protection per capita in small islands, which is far higher than the unit cost for similar protective and adaptive infrastructure in non-island countries with much larger populations. This is the socio-economic reality that confronts many small island state like Tuvalu, notwithstanding the benefits that could accurate to island communities – at tremendous cost – through adaptation.

Similarly the cost of disaster impacts will be huge and well beyond Tuvalu's financial means. Even minor emergencies can have a crippling effect on the national economy as evidenced by Tropical Cyclone Pam which struck Tuvalu in 2015.

Moreover, accessing finance under various multilateral funding mechanisms is a challenge, and frequently beyond the scope of Tuvalu's limited administrative resources and expertise.

b. The Tuvalu Trust Fund (TTF) is Tuvalu own investment and the Government has set a target to achieve AUD\$200 million dollars by 2020 hence Tuvalu needs the support of partners and to build effective partnerships in order to assist in funding and contributing to the TTF.

c. Given Tuvalu isolation, smallness, fragmentation and lack of resources which are critical in determining economic growth, the priorities for new infrastructure are somewhat different as compared to most other countries, Tuvalu Private Sector relies heavily on aid to fund new projects where Tuvalu must negotiate with development partners whose requirements may not always fully align with the goals of the government. The reality is that Tuvalu will continue to be very dependent on outside assistance to maintain the current standard of living let alone catch up with their bigger more resource rich neighbors. In addition, the country's dependence on highly volatile sources of revenue which includes fisheries licenses 8 6. TISIP 1. Assess Demand for Infrastructure 2. Assess Status & Service Levels 3. Prepare Long List of Projects 4. Prioritize Investments 5. Prepare funding strategy Tuvalu Infrastructure Strategy and Investment Plan V and its sovereign wealth fund – the Tuvalu Trust Fund, has led to a call to broaden Tuvalu very small Private Sector.

The main challenges for Tuvalu Private Sector are Tuvalu' small isolated market, small economy, small scattered population, underdeveloped infrastructure, lack of low-cost bulk air cargo services, high costs and poor credit access, commercial credit available only at high interest rates, high utility costs (telecommunications, internet and electricity) and expensive freights on boats as on airlines too.

The many constraints reflects well the challenges face by Tuvalu Private Sector and therefore seeks funding assistance to improve and promote sector growth.

d. The Civil Society Organizations (CSOs) were blessed annually with the grants the Government extended to them in term of their daily operations and other needs, however the grants may not need all CSOs needs but that's the only total grant the Government can extended because the Government has many priorities too which may not be able to accommodate within annual budgets.

e. As already alluded in (a) climate financing is very hard to access and therefore Tuvalu needs great assistance in learning the process of climate finance mechanism so we may able to access climate finance to meet the many impacts of climate change. Even though Tuvalu have received the total amount of US\$36 million dollars it is not enough to cater for the other five islands coastal protections and to accommodate too the other needs by each island due to climate change impacts.

f. Lessons learned have been to cost out all activities within the TKIII annually in the National Budget, formulation of the Tuvalu Private Sector Development Plan to guide the Private Sector in their development and continuous grants to both the Private Sector and CSOs.

Question 5

- a. There is no link been prepared on development/sustainable development.

Question 6

- a. There's no plan in the meantime to conduct any internal review of the SIDS programme, and it duly noted to do an internal review for the SIDS programme.
- b. There are no other activities being undertaken in preparation for the HLR in the meantime.

Question 7

None

Tuvalu

Priorities Identified in the SAMOA pathway	Ministry/Department	Investment (USD)	Budget Allocation (%)	Period	Investment (USD)	Budget Allocation (%)	Period	Investment (USD)	Budget Allocation (%)	Period	Investment (USD)	Budget Allocation (%)	Period	
Climate Change & Disaster Risk	Climate Change & Disaster Unit	57,333.46	0.143952226	2015	174,205.82	0.340541594	2016	176,729.35	0.351982207	2017	178,284.42	0.314938924	2018	586,553.05
Sustainable Energy	Energy	76,276.24	0.191513552	2015	99,988.36	0.195459575	2016	95,301.90	0.189807596	2017	114,398.42	0.202084486	2018	385,964.92
Food Security & Nutrition	Agriculture	472,935.35	1.187440922	2015	480,151.71	0.938611745	2016	459,707.00	0.915573357	2017	598,773.25	1.057731255	2018	2,011,567.31
Chemical and Waste Management	Waste	293,648.46	0.737289353	2015	661,160.15	1.292451259	2016	729,905.47	1.453712912	2017	953,323.68	1.684043588	2018	2,638,037.76
Gender Equality	Gender	80,954.19	0.203258898	2015	70,461.21	0.137739214	2016	90,923.63	0.181087634	2017	136,118.35	0.240452681	2018	378,457.38
Social Development	Community Affairs	325,225.19	0.816571862	2015	308,465.17	0.602994898	2016	340,204.85	0.677567443	2017	369,671.07	0.653022901	2018	1,343,566.28
Biodiversity	Environment	119,677.85	0.300485841	2015	109,529.18	0.214110192	2016	84,504.99	0.168303979	2017	120,721.41	0.21325403	2018	434,433.43
Sustainable, Inclusive and Equitable Economic Growth	Infrastructure Project	6,383,731.35	16.02820309	2015	9,393,246.76	18.36213752	2016	6,365,934.86	12.67868523	2017	7,780,833.75	13.74482085	2018	29,923,746.72
Sustainable Transportation	Marine & Aviation	3,902,451.47	9.798232616	2015	2,781,791.89	5.437911571	2016	2,850,304.84	5.676796681	2017	3,011,634.41	5.32004368	2018	12,546,182.61
Health and NCDs	Ministry of Health	4,387,288.22	11.01555544	2015	6,034,397.30	11.79618037	2016	6,746,116.63	13.43587253	2017	7,666,908.58	13.54357235	2018	24,834,710.73
Sustainable, Inclusive and Equitable Economic Growth	In-Service Training	548,081.59	1.376117282	2015	1,746,228.16	3.413567474	2016	1,980,281.76	3.944019167	2017	2,060,412.02	3.639712014	2018	6,335,003.53

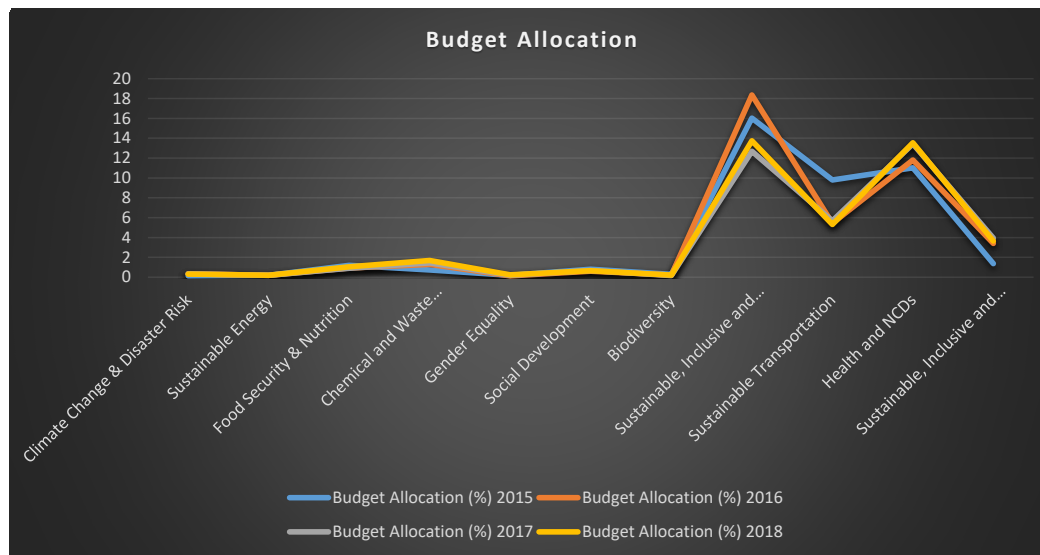
2015 Annual Budget (USD)	39,828,116.18
2016 Annual Budget (USD)	51,155,519.06
2017 Annual Budget (USD)	50,209,739.76
2018 Annual Budget (USD)	56,609,204.57

197,802,579.57

36,258,750.25

45%
1%

Priorities Identified in the SAMOA pathway	Ministry/Department	Budget Allocation (%) 2015	Budget Allocation (%) 2016	Budget Allocation (%) 2017	Budget Allocation (%) 2018
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Sustainable Energy	Energy	76,276.24	99,988.36	95,301.90	114,398.42
Food Security & Nutrition	Agriculture	472,935.35	480,151.71	459,707.00	598,773.25
Chemical and Waste Management	Waste	293,648.46	661,160.15	729,905.47	953,323.68
Gender Equality	Gender	80,954.19	70,461.21	90,923.63	136,118.35
Social Development	Community Affairs	325,225.19	308,465.17	340,204.85	369,671.07
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