Country:	Niue Island
Project Title:	*Niue Island: Enabling Activities for the Preparation of the Initial National Communication related to the UN Framework Convention on Climate Change (UNFCCC)*
Country Eligibility:	Ratified UNFCCC on 27 February 1996
GEF Financing:	US$296,000
Government Counterpart Financing:	US$60,000
GEF Implementing Agency:	UNEP
Executing Agencies:	Niue Meteorological Services (NMS)
Collaboration Agencies:	External Affairs Office, Department of Agriculture, Forestry and Fisheries, Environment Unit, Community Affairs Department, Physical Planning Unit, Department of Justice, Lands and Surveys, Economic Planning and Development Unit, and Representatives from Non-Government Organizations (NGOs)
Estimated Start Date:	August 1997
Project Duration:	2 years

Background

1. Niue, a former coral atoll uplifted through volcanic activity, comprises of one island with a land area of 259 km^2. It is situated in Polynesia in the south-west Pacific (19'S, 169'W), approximately 480 km east of Tonga, 930 km west of Rarotonga and 660 km south-east of Western Somoa. Within its Exclusive Economic Zone, Niue has two reef atolls, Antiope and Beveridge, visible only at low tide, from which commercial fishing is banned. However, a number of sea-mounts also exist and these attract plentiful fish.

2. The land is formed of three terraces, the highest at 69 m above sea level and the lowest at 28 m. The island is characterized by a rugged and rocky interior and coastline, featuring steep cliffs, caves, chasms and blow holes. Some parts of the coastline are fringed by a narrow coral reef and in other places plunges abruptly into the ocean.

3. There are 14 villages scattered around the coasts of the island, of which Alofi is the capital. Most villages are within walking distances of each other, especially the western-most coastal villages. A coastal circuit road passes through all villages. There are also two major cross-island roads both of which are sealed. Roads are also sealed within each village, and the circuit road is sealed along the west and south coasts.

4. There is no natural sheltered harbour, though the open roadstead in Alofi Bay is to the west of the Island, in the lee of the prevailing easterly trade winds. The roadstead is served by a wharf, which accommodates smaller vessels otherwise cargo is transferred by lighters. There is a 2,335 meter runway in asphalt concrete. Currently there are twice weekly flights to Niue from Auckland and Tonga.

5. Surface waters such as rivers and springs are not found on the island. The main source for water supply is a groundwater lens providing for all domestic needs. Current land clearing and farming practices and inadequate waste disposal system pose a potential threat to the present water quality.

Climate

6. There are two distinct seasons in Niue: the hot or wet season from December to March and the cool or dry season from April to November. Most of the rainfall occurs during the hot season, often in torrential downpours. At this time both temperature and humidity are high, with average temperature at 27°C. The cool season is characterized by warm sunny days and cool nights, with temperatures averaging 24°C. Annual average rainfall is 7,715 mm.

7. Droughts occur from time to time, impacting particularly on agriculture as there is no irrigation system. Because Niue is situated near the edge of the tropical cyclone belt, it may be subject to gale force winds during the hot season. Cyclones strike at irregular intervals, the last being Cyclone Ofa in February 1990. The impact of climate change on the frequency and intensity of cyclones is of great concern to the country.

Biodiversity

8. Niue is a part of a vast and complex ecological system containing an enormous and largely undocumented array of diversity, including the most extensive and biologically diverse reefs in the world, the highest proportion of endemic species per human inhabitant, the

deepest ocean trenches, deep sea minerals, the world's largest tuna fishery, as well as globally threatened species such as sea turtles and dugongs. Naturally occurring fauna include coconut crab, fruit bat, Pacific pigeon and 30 other bird species. They range from seabirds, landbirds and migratory shorebirds.

9. Due to a paucity of resources and trained manpower there is very little information concerning Niue's terrestrial fauna. There are 30 confirmed species of birds found on Niue of which at least two are endemic. There are also two indigenous species of mammals which have small remaining populations. The reptile and insect fauna have not been well reported, although at least six species of reptiles are known to exist. Unfortunately indigenous vegetation and animal species are being displaced by a range of introduced plant species and feral animals.

10. Niue's biodiversity resources as in other Small Island Developing States (SIDS) have suffered through over-exploitation of marine and coastal resources, destructive practices (e.g. poisons, explosives, habitat damage), unknown ecosystem impacts of oceanic fisheries (e.g. by-catch, sustainability), pollution from solid waste and sewage, the physical degradation of coastal ecosystems and habitats, including, coral reefs and wetlands, through excavation, erosion, sedimentation or reclamation and extraction of sand and coral for building purposes.

Forestry

11. Originally covered in dense tropical rainforests, Niue's land cover consists of coastal, regrowth (light and scattered) fern and schrubland and old growth (high canopy) merchantable forests covering 65% of the island.

12. Based on a 1994 survey, the total area of merchantable forest is 5,000 ha with a sustainable yield of 8,000 m^3 of sawn logs using selective logging. Indigenous species include Kafika, Kolivao and Le. Current milling operations provide 200 m^3 of timber supplemented by importation to meet local construction needs. Other uses include for housing, furniture, leaves for cooking and for collecting medicinal plants.

13. Between 1966 and 1981, 42% of the forest area has been cleared for agriculture. A forest planting project is now underway, aiming to plant 4,000 ha of forest over 40 years, via long-term lease or joint venture with landowners. Progress has been slower than programmed, due to land owner boundary disputes, and since inception some 197.7 ha have been planted under this project to June 1995.

14. The most notable environment degradation for Niue is deforestation. There is no formal government policy or legislation dealing with forests.

Agriculture

15. The coral atoll origins of Niue have left it with scenic coastal areas but with limited soil depth and fertility. Forty percent of Niue's land is unsuitable for agriculture while those under cultivation are only at the subsistence level. Farming is centred around bush gardens which are cleared by slash and burn or bulldozer with taro as the predominant crop. An increase in taro production evolved as a modest export product to New Zealand. Other crops include cassava, sweet potatoes and yam. Small quantities of coconut, lime, banana, fruit and vegetables are also cultivated mainly for domestic use. An ongoing research is being undertaken to develop other cash crop such as vanilla for export or for processing. Livestock

include chicken, pigs, and a small number of cattle.

Fisheries

16. Fishing activities are also at subsistence level owing to the limited inshore fishing resources. Offshore resources has been greatly hampered by the lack of capacity to fish in these areas and restricted boat access.

17. The Domestic Fishing Act 1996 is currently being enforced. The Act provides for the protection of fishes including land crabs, prohibition of specific fishing methods, and safety at sea. This Act, also allows Cabinet, with the concurrence of the Village Council, to declare a marine reserve, or a 'fono' for fishing, over any part of the reef or Niue waters. Suggestions have been made for the December-March closure of coastal coconut crab spawning areas at Vaikona, Togo, Mata Point to Limufaufua Point and Anaana Point to Tamakautoga. However, no marine reserve has yet been declared.

18. The Domestic Fishing regulations (1996) identified 11 fish species that are protected under the Act, provides fish quota limits and identified minimum size limits for catching crustaceans (including minimum 36 mm thoracic length for coconut crabs).

Energy

19. Niue imports all its petroleum products. Natural resources are limited, with no traditional mineral or hydro-based resources available. Opportunities for alternative energy sources are being investigated, including wind generation, solar power and sea and tide movements, both marine and through the water lens.

20. The predominant energy source is electricity, provided by diesel powered generators. Four of these are located in a central power house with a total installed capacity of 1,684 kW. Presently, the base load is in the order of 400 kW and the peak load is 630 kW. Transmission is via 11,000 volt cable.

21. Over 45% of power produced is consumed by the Government. This statistic underscores the importance of climatic factors on the Niuean economy as there ought to be constant high water reserves. The use of petroleum for energy by power generators and all transport leads to relatively high GHG emissions in both sectors.

22. The power company, Electricity Power Supply (EPS), has been commercialized although some cross subsidies (e.g. cif price for fuel offset by the free provision of power for street lighting, sea track lighting and, importantly, water pumping) remain.

23. Bottled gas is the most common energy source for domestic cooking. Wood and charcoal are mainly used for household energy.

Human environment

24. Niue has a total population of 2,300 (1994) comprising 50.25% males and 49.75% females. There has been a considerable decline from 5,000 population in the 1960s. The education system is modelled after New Zealand. Education in early childhood and primary is free with nominal fees for the intermediate and secondary levels. Government scholarships are awarded for tertiary education overseas depending on the requirements for the public

service, the main source of employment. About 22% of the males and 6% of the females have tertiary education.

25. Niue's economy is dominated by the public sector accounting for approximately 80% of the total local employment. It is supplemented by subsistence agriculture and fishing, tourism, and retailing. Government operations is funded by aid from New Zealand. Essential services and administrative functions are provided by the Government. Current development policy focuses on tourism and private sector development through increased employment opportunities and agricultural production as mechanisms to reduce aid dependency.

26. Community participation is a vital component for the implementation of economic and environmental strategies.

Environmental planning and management

27. In concert with a regional effort, Niue has developed a National Environmental Management Strategy (NEMS) with the assistance of UNDP and the South Pacific Regional Environment Programme (SPREP). Other relevant regional institutions include the Forum Fisheries Agency (FFA), the South Pacific Commission (SPC), the South Pacific Applied Geoscience Commission (SPAGC), the University of the South Pacific (USP), the Tourism Council of the South Pacific (TCSP).

28. The NEMS focuses on institutional strengthening and the development of appropriate tools and methodologies for environmental planning and management. Four environment related projects are currently being implemented addressing various issues such as biodiversity conservation (Huvalu Forest Conservation Area Project), land and marine resource use planning, state of the environment database, water supply and waste management, and development of a forestry policy.

29. Niue's environmental legislation is embodied in its Constitution, various Acts of Parliament, Bills Ordinances and customary laws. Provisions pertaining to the environment include the establishment of an environmental institution (the Environment Unit or the EU), regulations and guidelines to control the use and to protect the natural resources. A recently completed draft Environment Management Bill (EMB) is an "umbrella law" with a strong policy orientation aimed at establishing an overall coherent policy and basis for coordination among various government agencies responsible for environment and natural resources. Key feature of the draft EMB include:

(a) formulation policies, management plans and resource inventories;

(b) provision of regulatory standards and guidelines for EIA;

(c) establishment of national parks and protected areas; and

(d) establishment of environmental institutional frameworks such as an inter-agency body with enforcement powers and administrative body for technical advice and implementation of plans and programmes.

30. At present Environmental Impact Assessment (EIA) process is essentially *ad hoc* in nature at the project level. The various sectoral agencies control the EIA in their areas using local expertise or overseas consultants with no evaluation and monitoring from the EU. The

lack of clear directives on the conduct and process for an EIA is anticipated to be addressed by the draft EMB.

31. The EU is responsible for the on-the-ground environmental planning and management. The key tasks of the Unit is to prepare environment related policies, programmes and projects, conduct, monitor and evaluate EIAs, and prepare and maintain the State of the Environment (SOE) database and reports.

32. Niue is party to a number of international conventions, including:

I. UN Framework Convention on Climate Change (ratified 27 February 1997);

II. Convention on Biological diversity (ratified 27 February 1997);

III. Convention of International Trade in Endangered Species of Wild Fauna and Flora (NZ) (ratified 1985);

IV. UN Convention on the Law of the Sea (signed 1984);

V. South Pacific Nuclear Free Zone Treaty (signed 12 May 1986);

VI. Convention on the Protection of the Natural Resources and Environment of the South Pacific Region (ratified 3 May 1990);

VII. Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific April 1997).

Project Objectives

33. Article 12.5 of the UNFCCC requires non-Annex 1 Parties (except those least-developed countries) to make their initial national communications "*within three years of the entry into force of the Convention for that Party, or of the availability of financial resources...*". As a least-developed country, Niue may make its initial national communication at its discretion. However, the Government of Niue is fully committed to the implementation of the UNFCCC, and hence, it intends to prepare and submit its initial national communication two years after the approval of the requested funding for this project.

34. Niue has not undertaken any enabling activities related to the implementation of the UNFCCC. Thus, the main objective of this proposal is to enable the country to fulfil its commitments and obligations as required by Articles 4.1 and 12.1 of the UNFCCC, especially the preparation and the reporting of its initial national communication as required by Article 12.1 (a), (b) and (c) of the Convention based on the recommended COP2 guidelines and format for non-Annex 1 Parties.

Project description

35. This proposal follows the "*GEF Operational Guidelines for Expedited Financing of Initial Communication from Non-Annex 1 Parties (February 1997)*". It consists of nine clearly defined activities, each of which is briefly described as follows:

Activity 1: Establishment of the Project Management and National Study Teams

36. Based on the little existing scientific and technical expertise, a Project Management Team (PMT) and a National Study Team (NST) will be established under the auspices of the Niue Meteorological Services (NMS) in consultation with other relevant government departments and private sector, including NGOs. A National Climate Change Committee (NCCC) will be formed to provide guidance to the PMT (see para. 72).

37. The NST will comprise four working groups: GHG Inventory, Mitigation Options, Vulnerability/Impacts Assessment, and National Communication. Each working group is composed of a number of experts drawing from public and private sectors. The NST will be coordinated by a Project Coordinator, who will be designated by the NMS to coordinate the day-to-day project activities. The Project Coordinator, together with the leader of each working group, will form the PMT, which is supported by a secretary. The PMT will have adequate and appropriate computer and telecommunication facility.

Major outputs:

38. The major outputs of this proposed activity will be the establishment of the PMT, NST and the NCCC.

Activity 2: GHG Inventory:

39. Following the new COP2 guidelines, the GHG inventories will mainly focus on CO_2, CH_4 and N_2O in (a) all energy sources; (b) industrial processes; (c) agricultural processes; (d) land use change, and (e) other sources, while data for other GHG may be collected where available.

40. The GHG inventory will be based on the latest version of IPCC Guidelines and using the 1994 data. This component will be undertaken by the GHG Inventory Group, which will draw from the best available expertise from both the public and private sectors.

41. A data collection and management system will be set up so that both the data and the GHG inventories can be updated regularly and efficiently.

42. This activity will be coordinated with the regional efforts whenever and wherever possible, such as the Pacific Islands Climate Change Assistance Project (PICCAP)/CC:TRAIN programme.

43. At the end of the GHG inventory, a workshop will be held to review and present the results to national policy and decision makers.

Major outputs:

44. The major outputs of this proposed activity will be:

(a) A comprehensive GHG inventory based on the 1994 data, so that it can be used as a basis for the selection of mitigation options.

(b) Identification of shortcomings and gaps of the IPCC Guidelines in relation to the local conditions.

(c) A description of any original research needed to develop and/or apply new emission factors for specific activities.

(d) Recommendations on areas of targeted research to improve future inventories and to suggest revisions to the existing IPCC GHG inventory methodology.

(e) A database system for regular and efficient updating and management of the inventory.

(f) Strengthening of the inventory study team, drawing from the expertise of both public and private sectors.

(g) Workshop report.

Activity 3: Programs to address climate change and its adverse impacts, including abatement and sink enhancement

45. Based on the results of the GHG inventories, this project will identify, analyze and assess a range of potential mitigation options so that a national strategy and plan for the viable measures to abate the increase in GHG emissions and enhancement of removals by sinks can be developed and formulated.

46. Appropriate computer models will be used to assess various mitigation options.

47. The proposed activity will be undertaken by the Mitigation Options Group, drawing from the best available expertise from both the public and private sectors. The capacity for this group to undertake the task will be built, strengthened or enhanced where necessary.

48. A workshop will be conducted for key stakeholders (see para. 72) and policy and decision makers to review the options and strategies at the end of the study.

Major outputs:

49. The major outputs of the proposed activity will be:

(a) Identification of mitigation options.

(b) Recommendations on reducing the number and intensity of emissions from various sources and the enhancement of sinks.

(c) Preparation of the first national mitigation strategy for the national communication.

(d) Workshop report.

Activity 4: Policy options for monitoring systems and response strategies for impacts

50. This project will identify and develop policy options for adequate monitoring systems and response strategies for climate change impacts assessment. However, these policy options will be based on the quantitative analysis of vulnerability and impacts assessment, using the *IPCC Technical Guidelines*. Thus, a comprehensive vulnerability and impacts assessment will be undertaken on terrestrial and marine ecosystems (these include agriculture, coastal zone, water resources, human health, natural ecosystems, and other aspects such as socio-economics) using the 1994 data. Special attention will be paid to the impacts of climate change to Niue's coastal zone and water resources given its vulnerability to sea level rise as a result of climate change. The linkage between climate change and the frequency and intensity of cyclones, which are of great concern to the country, may be investigated (see para. 7).

51. A Vulnerability/Impacts Assessment and Adaptation Group, drawing from the best available expertise of both public and private sectors, will be formed within the NST to undertake this task. The capacity for this group to undertake the task will be strengthened and enhanced where necessary. In addition, institutional strengthening on this aspect will be addressed in this project.

52. Lessons will be learned from the methodology as developed by UNEP's "*Country Case Studies on Climate Change Impacts and Adaptation Assessments (Phase I)*". In view of the lack of data in this area, it is expected that some original research will be needed.

53. Based on this study, policy options will be identified and developed for the response strategies.

54. A workshop will be held for various stakeholders as well as policy and decision makers to review and publicize the results at the end of the study.

Major outputs:

55. The major outputs of the proposed activity will be:

(a) Important baseline data required for assessing climate change vulnerability and adaptation options.

(b) A comprehensive vulnerability assessment for various sectors based on established procedures.

(c) Policy options for adequate monitoring systems and response strategies for climate change impacts on terrestrial and marine ecosystems.

(d) Workshop report.

Activity 5: Policy frameworks for implementing adaptation measures and response strategies

56. Based on the results of the vulnerability and impacts assessment for various sectors, this project will identify, analyze and assess a range of potential adaptation (stage I) options so that a national strategy for the viable measures can be developed and formulated for minimizing the impacts of climate change on the economy.

57. Based on this study, policy frameworks will be developed for implementing adaptation measures and response strategies in the context of coastal zone management, disaster preparedness, agriculture, and fisheries, with a view to integrating climate change impact information, as appropriate, into planning processes.

58. The capacity for the Vulnerability/Impacts Assessment and Adaptation Group to undertake this task will be built, strengthened and enhanced where necessary.

59. A workshop will be conducted for key stakeholders and policy-makers to review the options and strategies and the policy frameworks for their implementation at the end of the study.

Major outputs:

60. The major outputs of the proposed activity will be:

(a) Identification of adaptation (stage 1) options.

(b) Policy frameworks for implementing adaptation measures and response strategies.

(c) Workshop report.

Activity 6. Building capacity to integrate climate change concerns into planning

61. In the context of undertaking national communication, there is a need to build or strengthen the national capacity to integrate climate change concerns into medium and long-term planning. This may include education and training on climate change for national development planners, as well as for policy and decision-makers. For example, integrated assessment modelling (IAM) may be introduced to these people so that it can be learned and used as a useful tool for proper policy and decision making in the planning process.

Major output:

62. Enhanced capacity of the national development planners and policy and decision-makers to integrate climate change concerns into planning.

Activity 7: Programs related to sustainable development, research, public awareness, etc

63. This project will identify and develop programmes in climate change which are related to sustainable development, research and systematic observation, education and public awareness, training, etc.

64. For example, Activities 2 to 6 will contain elements in research and systematic observation, education and training. In addition, the successful implementation of the UNFCCC in Niue relies also on public participation. Thus, it is proposed to develop a cost-effective public awareness programme so that public awareness campaigns can be undertaken throughout the project cycle when and where possible. Both public and private media (television radio and newspapers) will be used to assist in creating public awareness. CC:INFO/Web will also be used as a tool to enhance national and international information flow. A CC Web site will be established in coordination with the CC:INFO/Web initiative. Materials produced by the IUC/UNEP and UNITAR CC:TRAIN will be used where appropriate.

65. A novel pilot project which will involve private sector and selected local communities will be developed to ensure community participation in the proposed activities and to help create public awareness.

Major outputs

66. The major outputs of this proposed activity will include:

(a) Information packages, video aids, relevant publications and demonstrable community driven project.

(b) Enhanced public awareness at all levels and in all villages of the country.

Activity 8: Provision of other information

67. This project will also provide any other information relevant to the achievement of the objective of the UNFCCC. It will identify the technical and financial needs associated with proposed projects and response measures under Article 4. If feasible, it will also provide material or data relevant for calculation of global GHG emission trend. In addition, it may describe the financial and technological needs and constraints associated with the communication of information. In particular, and following the evolving recommendations of the Conference of the Parties through its subsidiary bodies, the description may cover needs and constraints associated with the further improvement of national communications, including

reduction of the margin of uncertainty in emission and removal variables through appropriate institutional and capacity-building.

Activity 9: Preparation of national communication

68. The initial national communication as required under Article 12 of the UNFCCC will be prepared and submitted to the UNFCCC Secretariat. It will include the outputs of Activities 2 to 8 as described above.

69. This task will be coordinated by the National Communication Group, headed by the National Communication Officer from External Affairs Office. It will involve all members of the PMT and NST, each of whom will prepare the relevant sections under their responsibility for the initial national communication.

70. The draft national communication will be reviewed by a respected technical institution. Based on this review, a revised version will be produced. A meeting will then be organized for key stakeholders and policy and decision makers to review this revised draft national communication before it is finalized and submitted to the UNFCCC Secretariat.

Major output:

71. The major output of this proposed activity will be the initial National Communication to be submitted to the UNFCCC Secretariat.

Institutional framework, project implementation and coordination

72. As shown in the project management and coordination structure (Figure 1), this project will be executed by the NMS, with the support of the Department of Agriculture, Forestry and Fisheries, Environment Unit, Community Affairs Department, Physical Planning Unit, Department of Justice, Lands and Surveys, Economic Planning and Development Unit, and Representatives from Non-Government Organizations (NGOs). A National Climate Change Committee (NCCC) will be formed to guide the implementation of this project and to provide overall policy advice. This high level Committee will be chaired by the Minister in charge of Climate Change within the Premier's Office, and it will include the Project Coordinator and representatives from the Environment and Physical Planning Unit, as well as representatives from the private sector and NGOs. The NCCC will ensure that the recommendations of the project are integrated into overall national development plans. The NCCC will have a secretariat housed at NMS with personnel knowledgeable in climate change issues.

73. Based on the best available expertise, a full-time local Project Coordinator will be assigned to coordinate the day-to-day activities of the project. This Coordinator shall also be the Secretary of the NCCC.

74. Appropriate local experts from overseas universities, private sector and NGOs (e.g. Niue Chamber of Commerce) will be used where appropriate. This proposal will seek to strengthen the existing institutional framework for project management where necessary.

75. As the GEF implementing agency for this project, UNEP, through its Atmosphere Unit with the support of the Regional Office for Asia and the Pacific (ROAP) based in Bangkok and the UNEP Collaborating Centre on Energy and Environment (UCCEE) based in Denmark, will play a technical support and advisory role so as to ensure that the project is successfully implemented.

Proposed work schedule

76. The proposed timetable for commencement and completion of all activities described above is given in Table 1. The detailed work plans for each activity will be developed by the Project Coordinator in full consultation with the NMS and NCCC soon after the approval of the project, with the guidance and assistance of UNEP. UNEP will be consulted throughout the period of the project implementation.

Appropriate sequencing

77. The above project activities will be undertaken in appropriate sequence based on good practice. Established guidelines will be followed, while established tools and methodologies will be used. Lessons learned from the past and ongoing projects, including UNEP's "*Country Case Studies on Sources and Sinks of Greenhouse Gases*", UNEP/UCCEE's "*Economics of GHG Limitations - Phase I: Methodological Framework for Climate Change Mitigation Assessment*", and UNEP's "*Country Case Studies on Climate Change Impacts and Adaptation Assessments (Phase I)* ", will be useful for the implementation of the project.

Activity matrix

78. Niue has not undertaken any enabling activities related to climate change before. The activity matrix which indicates the areas needed to be covered by this project is shown in Table 2.

Training

79. Due to the general lack of local expertise for climate change issues, training and capacity building for project teams will be the major component of this project. All training activities including national workshops and participation in regional workshops organized or to be organized by UNEP, UNDP or other international agencies for their ongoing enabling activities programmes will be coordinated by the PMT. It is expected that Niue will be able to participate in the PICCAP/CC: TRAIN programme, which is expected to begin in the near future. Indeed, preliminary enquiries have been made to UNITAR and UNDP through UNEP for this participation, and their responses have been positive.

80. Training materials from the past and ongoing activities will be obtained from various regional and international sources, such as IPCC, UNITAR (CC:TRAIN), etc. Lessons can also be learned from other ongoing enabling activities programmes, especially those for the island states, implemented by UNEP or UNDP.

81. UNEP, with its extensive experience in training in enabling activities, will be consulted on all aspects of training, such as the workshop agenda, the trainers, etc. Technical assistance will be provided where necessary.

National level support

82. This project enjoys a very high level and a wide range of national support. It will be executed under the guidance of the NCCC, which will be represented by all key government departments and private sector, including NGOs, and chaired by the Minister in charge of Climate Change within the Premier's Office (see para. 72).

Project financing and budget

83. As the proposed activities are standard enabling activities as defined by the *GEF Operational Guidelines*, so the incremental cost for undertaking these activities are also the full cost. The requested GEF funding of US$296,000 (including US$22,000 for UNEP Coordination) reflects the fact that the country has not undertaken any enabling activities

related to climate change before, as well as the high project management and personnel cost in the country compared to many least-developed and developing countries. Due to the general lack in scientific and technical expertise of the country on climate change issues, a significant part of the cost will go to training and capacity building for the project team members so that they can carry out the task in a sustainable manner (see Table 3).

84. This budget has been carefully and realistically estimated by the NMS, thoroughly discussed between UNEP and the Minister in Charge of Climate Change, who is also the Minister of Finance, and critically reviewed and fully endorsed by the GEF focal point of the country (letter attached). In addition, UNITAR has also kindly provided feedback on training cost.

85. As an island state with "*low-lying coastal areas*" (Article 4.8 b), "*with areas prone to natural disasters*" (Article 4.8 d), "*with areas with fragile ecosystems...*" (Article 4.8 g), with "*economies are highly dependent on income generated from the production, processing and export...*" (Article 4.8 (h), Niue deserves special consideration under Article 4, paragraph 8 of the Convention, including necessary actions related to funding, insurance and the transfer of technology, to meet its specific needs and concerns arising from the adverse effects of climate change and/or the impact of the implementation of response measures.

86. The contribution of the Government of Niue, which will amount to US$60,000 over the period of the project, will include salaries for technicians and other supporting staff, vehicles for field trips and their maintenance, office rentals, insurance and others.

Rationale for GEF support

87. This is a standard enabling activities proposal which will assist Niue to fulfill its reporting requirements under the UNFCCC. As GEF is the international entity entrusted to operate the financial mechanism for the UNFCCC on an interim basis, the proposed activities are eligible for GEF funding.

Sustainability and participation

88. The Government of Niue is fully committed to the implementation of the UNFCCC hence the goals and objectives of this project. This project will ensure that climate change mitigation strategies are in place so that the country can steer towards achieving its goals of GHG reduction. The project will also ensure that Niue will have adequate scientific, technical and institutional capacities in the implementation of the objectives of the UNFCCC on a sustainable basis. Indeed, the Government prefers to adopt the long-term capacity building and sustainable approach rather than the short-term (and probably cheaper) approach by "parachuting" foreign consultants to prepare its initial national communication. Full participation in the project cycle by all key stakeholders will be ensured.

Issues and risks

89. **Issues:** In order to successfully implement the project, close coordination and consultation between the NMS, the NCCC, the PMT and NST is essential. The NMS and NCCC will consult all relevant stakeholders in both the public and private sectors, including NGOs and research organizations through appropriate venues (e.g. meetings and workshops).

90. **Risks:** The potential risks which may mask the objectives and goals of the project are:

(a) Longer time period than expected for the collection and analysis of the data and the preparation of the national communication.

(b) Inadequate consultations among various stakeholders.

(c) Lack of involvement of major policy and decision makers in the formulation of final strategy.

91. Necessary action will be undertaken to avoid all the risks mentioned above.

Monitoring and evaluation

92. The Project Coordinator will provide a monthly progress report to the NMS, which will share it with NCCC and UNEP. If possible, these reports may be compiled into an electronic newsletters that will be distributed to all participating institutions. These reports will enable the NMS and its supporting institutions to evaluate the implementation of the project on an ongoing basis and identify difficulties and shortcomings at an early stage. They will be reviewed by the NCCC for their quality and standard, comprehensiveness, and conformity to the proposed terms of reference and dates of completion.

93. The NCCC will meet on a quarterly basis to review project implementation and provide scientific, technical, policy and strategic guidance. The minutes of these meetings will be shared with all participating institutions. The NCCC will guide the NMS on reports and make recommendation to the NMS, which, in turn, will provide quarterly progress reports and quarterly financial reports to UNEP based on UNEP's standard format.

94. UNEP will provide its established monitoring and evaluation guidelines and assessment procedures, which will be applied to evaluate the progress of the project during mid-term and after its completion.

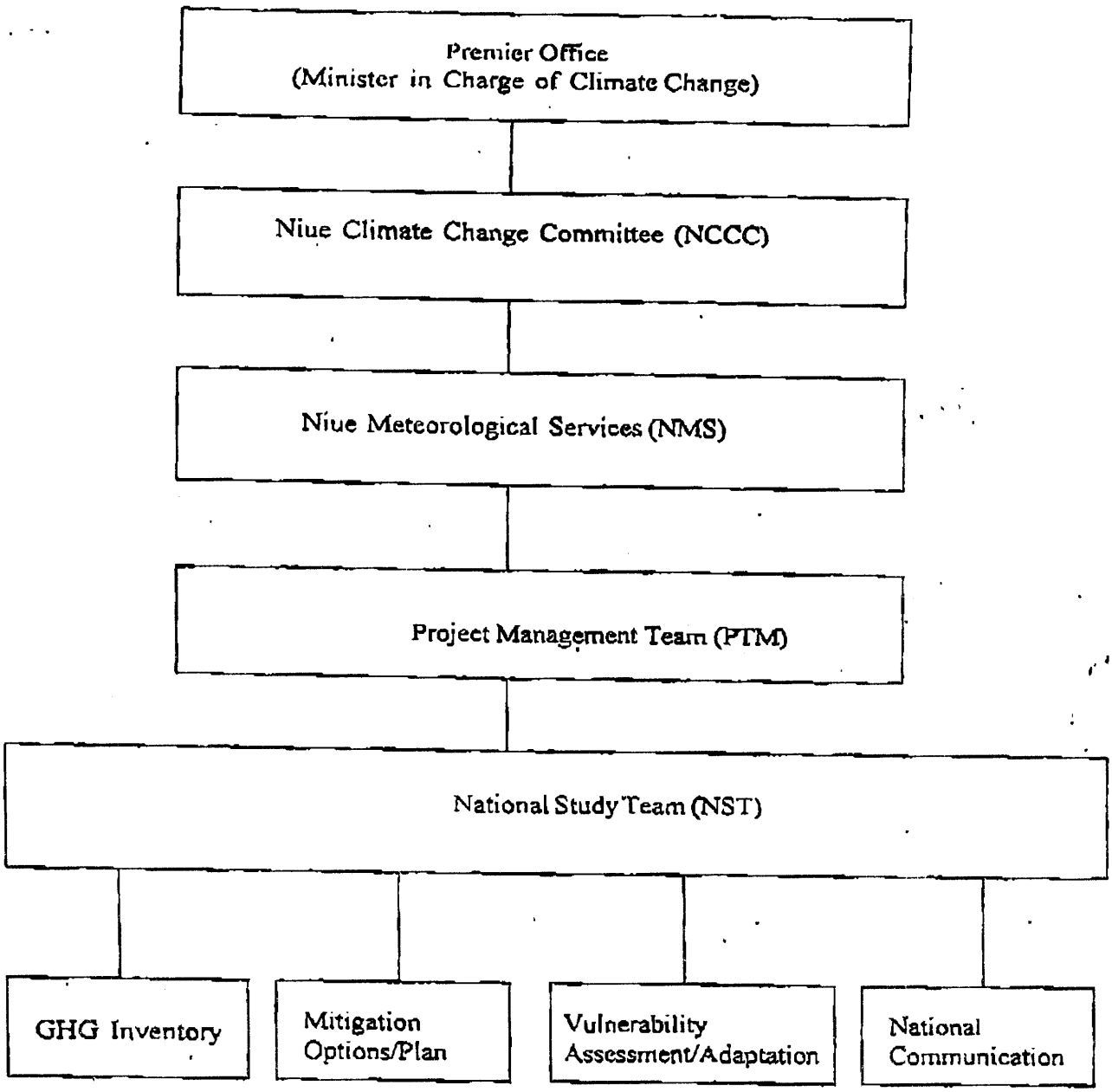

Figure 1: Project management structure

TABLE 1. PROPOSED WORK SCHEDULE

ACTIVITY	1	2	3	4	5	6	7	8	9	PM	M&E
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NB: Some activities are expected to run concurrently as indicated.

PM is Project Management.

M&E is Evaluation and Monitoring.

Table 2: Enabling Activities required for Initial National Communications (Niue)

Enabling Activity / Commitment	Planning and execution	Capacity Building		
		Data Gathering and Research*	Institutional Strengthening	Training & Education
1. National Circumstances	x	x	N/A	N/A
2. Greenhouse Gas Inventories (See Table A2 as completed)	x	x	x	x
1. -All Energy Sources	x	x	x	x
2. -Industrial Processes	x	x	x	x
3. -Agricultural Processes	x	x	x	x
4. -Land use Change & Forestry	x	x	x	x
5. -Other Sources	x	x	x	x
3. General Description of Steps taken or envisaged to implement the Convention				
(a) Program related to sustainable development, research, public awareness, etc.	x	x	x	x
(b) Policy Options for Monitoring Systems and Response Strategies for Impacts.	x	x	x	x
(c) Policy Frameworks for Implementing Adaptation Measures and Response Strategies	x	x	x	x
(d) Building Capacity to integrate climate change concerns into planning	x	N/A	x	x
(e) Programs to address climate change and its adverse impacts, including abatement and sink enhancement.	x	x	x	x
4. Other Information				
(a) Calculation of Emission Trends	x	x	x	x
(b) Financial and Technological Needs and Constraints for				
- Projects for Financing	x	x	x	x
- National Communications	x	x	x	x
- Vulnerability Assessment and Adaptation	x	x	x	x
5. Compilation and Production of the Initial National Communication	x	N/A	N/A	N/A

* In the context of communication-related enabling activities.

Table 3: Project Budget for Enabling Activities for Niue

Enabling Activity / Commitment	Planning and execution (US$)	Capacity Building: Data Gathering and Research (US$)	Capacity Building: Institutional Strengthening (US$)	Capacity Building: Training and Education (US$)	Capacity Building: Technical & Admin. Support (US$)	Total Cost (US$)
2. Greenhouse Gas Inventories		15,000	15,000	15,000	5,000	50,000
3. General Description of Steps		35,000	25,000	41,000	10,000	114,000
(a) Programs related to sustainable development, research, public awareness, etc.		4,500	2,500	2,000	1,000	10,000
(b) Policy Options for Monitoring Systems and Response Strategies for Impacts		11,000	10,000	15,000	4,000	40,000
(c) Policy Frameworks for Implementing Adaptation Measures and Response Strategies		7,000	5,000	10,000	2,000	24,000
(d) Building Capacity to integrate Climate concerns into Planning		2,000	3,000	4,000	1,000	10,000
(e) Programs to address climate change, adverse impacts, including abatement, sink enhancement		9,500	7,500	10,000	3,000	30,000
4. Other Information		4,500	2,500	2,000	1,000	10,000
(a) Material relevant for Emission Trends		2,250	1,250	1,000	500	5,000
(b) Financial, Technological Needs and Constraints		2,250	1,250	1,000	500	5,000
5. Compilation and Production of Initial National Communication						20,000
Project Management						70,000
Monitoring/Evaluation						10,000
Total		54,500	42,500	61,000	16,000	274,000
% of Total		30.3%	24.4%	35.1%	9.2%	
UNEP Coordination (8%)						22,000
					Total	296,000

GOVERNMENT OF NIUE

FAKATUFONO NIUE

Office of the Premier
P.O. Box 40
NIUE

Date: July 23, 1997

To: Ahmed Djoghlaf
Executive Director
GEF Coordination Office
UNEP

Fax: 254 2 520825

From: Mr. Bradley Puno
Secretary to Government
Premier's Department

Subject: Niue: Enabling Activities for the Initial National Communication related to the UN Framework Convention on Climate Change

Dear Mr. Djoghlaf,

The Government of Niue is pleased to endorse and support the project proposal on the Enabling Activities for the Initial National Communication related to the UNFCCC. Niue is an uplifted coral atoll situated along the cyclone belt and hence prone to severe cyclones. The severity of cyclones is due to the existence of very deep oceans in close proximity to the coast (i.e. 400 metre depth at 400 metre from the coast). The island's near shore reef structure and coastal geomorphology is such that cyclone wave damage is exacerbated. Niue has a 40% cover of natural primary rainforests which are susceptible to natural disasters including droughts, bushfires and cyclones. The impacts related to climate change particularly frequency and intensity of cyclones cannot be overemphasised.

We would therefore be grateful for the proposed budget of US$296,000 (including US$22,000 for UNEP Coordination) to be supported by the GEF. The amount has been carefully estimated bearing in mind the specific issues and identification of requirements for compliance with the UNFCCC. The Government's commitment is reflected in its aim to complete and submit the initial national communication to the COP of the UNFCCC two years after approval of the proposed funding.

Yours sincerely,

Bradley Puno

Telephone: (683) 4200 Facsimile: (683) 4206 or 4252