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Green Climate Fund Readiness and Support Programme

Readiness Needs and Assessment Report and Action Plan for Niue

Date: 15 March 2023

Version: Final Version

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Project title: Technical Assistance for Niue National Designated Authority with the Green Climate Fund to Develop a GCF Readiness Strategy and work plan.

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Table of content

| | | |
|------|---------------------------------------|----|
| | Table of content | 3 |
| | Tables | 4 |
| | Acronyms | 5 |
| | Executive Summary | 6 |
| 1. | Background | 13 |
| 2. | Methodology | 15 |
| 3. | Readiness Needs Assessment | 17 |
| 3.1. | Institutions and governance | 18 |
| 3.2. | Policy environment | 26 |
| 3.3. | Pipeline development | 32 |
| 3.4. | Information, data, and knowledge | 37 |
| 4. | Long-term Readiness Action Plan | 44 |
| 4.1. | Vision for future Readiness funding | 44 |
| 4.2. | How to use the Readiness Action Plan? | 44 |
| 4.3. | Long-term Readiness Action Plan | 45 |
| | Bibliography | 61 |

Tables

| | | |
|----------|--|----|
| Table 1 | Niue's engagement with GCF | 11 |
| Table 2 | Revised objectives and outcomes of the GCF Readiness and Preparatory Support | 16 |
| Table 3 | Identification of Niue's gaps and needs in the category of institutions and governance, based on the Readiness goals as outlined by the GCF RPSP Guidebook(2023) | 18 |
| Table 4 | Approach for using Readiness funding to address Niue's gaps and needs in its institutions and governance | 21 |
| Table 5 | Identification of Niue's gaps and needs in the category of policy environment, based on the Readiness goals as outlined by the GCF RPSP Guidebook (2023) | 26 |
| Table 6 | Approach for using Readiness funding to address Niue's gaps and needs in its policy environment | 29 |
| Table 7 | Identification of Niue's gaps and needs in the category of pipeline development, based on the Readiness goals as outlined by the GCF RPSP Guidebook(2023). | 32 |
| Table 8 | Approach for using Readiness funding to address Niue's gaps and needs in its pipeline development | 35 |
| Table 9 | Identification of Niue's gaps and needs in the category of information, data and knowledge, based on the Readiness goals as outlined by the GCF RPSP Guidebook(2023) | 37 |
| Table 10 | Approach for using Readiness funding to address Niue's gaps and needs in its information, data and knowledge | 40 |
| Table 11 | Long-term Readiness Needs Action Plan for Niue. | 45 |

Acronyms

| | |
|--------|---|
| AF | Adaptation Fund |
| CSO | Civil Society Organisation |
| DAE | Direct Access Entities |
| GCF | Green Climate Fund |
| GEF | Global Environment Facility |
| GHG | Greenhouse Gas |
| JNAP | Niue's Joint National Action Plan – Disaster Risk Management and Climate Change |
| LDC | Least Developed Country |
| LTS | Long-term (Climate) Strategy |
| M&E | Monitoring and Evaluation |
| MoFP | Ministry of Finance and Planning |
| NAP | National Adaptation Plan |
| NDA | National Designated Authority |
| NDC | Nationally Determined Contribution |
| NGO | Non-governmental Organization |
| NCCP | Niue Climate Change Policy |
| NNSP | Niue National Strategic Plan |
| PMCU | Project Management Coordination Unit |
| POST | Project Oversight Steering Team |
| RP | Readiness Proposal |
| RPSP | Readiness and Preparatory Support Programme |
| SPREP | Secretariat of the Pacific Regional Environment Programme |
| SIDS | Small Island Developing State |
| UNDP | United Nations Development Programme |
| UNFCCC | United Nations Framework Convention on Climate Change |
| USP-2 | Updated Strategic Plan-2 |

Executive Summary

Background and goal of the Readiness Needs Assessment

As a Small Island Developing State (SIDS), Niue is facing various challenges for sustainable development. Arising from its location in the southern tropical cyclone belt in the Pacific Ocean, the coral atoll faces high exposure to cyclones and climate change induced sea level rise. Nature-based tourism and agriculture present the most important economic sectors in Niue. Both are threatened as they are highly sensitive to weather and climate change. Cyclones and storm surges can damage infrastructure and decrease Niue's attractiveness for tourism, while warming temperatures and changing precipitation patterns pose the risk of drought. Ocean acidification threatens coral reefs and ecosystems, and thereby negatively impacts both food security and the tourism sector. Besides this, sea level rise threatens the supply of freshwater through saltwater contamination of groundwater, Niue's only source of freshwater besides rainwater harvesting (Niue's GCF Strategic Framework & Country Programme – SFCP, 2024).

To build resilience to the impacts of climate change, Niue strongly depends on international support as domestic financial resources are limited. Currently, support from New Zealand presents about 70% of Niue's GDP (SFCP, 2024). To access further support, Niue began its engagement process with the Green Climate Fund (GCF), one of the major vehicles of international climate finance, in 2017. So far, the country has received four GCF Readiness grants with a funding volume of ≤ USD 1 million each that put a strong focus on enhancing the capacity of the NDA and institutional mechanisms to engage with the fund. To facilitate the strategic planning of Readiness Programs and to further enhance the country's capacities, a GCF Readiness Needs Assessment was conducted in Niue in 2023–2024 to identify pertaining gaps and needs in Niue's Readiness.

The objective of this **Readiness Needs Assessment** is three-fold:

- First, it provides the **most up to date synthesis of outstanding gaps and needs** that should be addressed to support the country in its path towards being ready for accessing GCF project funding and governing its response to climate change.
- Second, it allows Niue to **access multi-year Readiness funding** of ≤ USD 4 million for a period of ≤ 48 months, which can then be used strategically to enhance the country's Readiness for accessing the GCF.
- Third, it serves as the basis for **the long-term Readiness Action Plan**, which was developed to support the creation of multi-year Readiness proposals by linking identified needs with objectives, outcomes and proposed activities that align with GCF requirements.

Structure of the report

Chapter 1 presents the background of Niue's climate change context and presents an overview of Niue's engagement with the GCF so far.

Chapter 2 presents the methodological approach for conducting the Readiness Needs Assessment, which is based on GCF guidance.

In line with GCF guidance, Chapter 3 first presents Niue's gaps and needs compared to the GCF criteria and characteristics for Readiness. The **Readiness Needs Assessment** structures these results in the four Readiness categories **institutions and governance, policy environment, pipeline development, and information, data, and knowledge**. The chapter then outlines approaches for addressing the identified Readiness needs in each of the four categories while considering ongoing and planned Readiness activities to avoid duplication and capture synergies.

Chapter 4 outlines a vision for how Niue's future Readiness journey. This draws the **long-term Readiness Action Plan**, which presents a strategic outlook for how Niue can address the needs identified in the Readiness Needs Assessment. The plan links the needs identified per Readiness category with the Readiness objectives and outcomes that are outlined in the Readiness Results Management Framework as goals of the GCF Readiness and Preparatory Support Programme (RPSP). Consequently, the Readiness Action Plan **serves as the basis for the development of multi-year Readiness proposals**, as the plan's structure corresponds with the objectives for Readiness proposals specified by the GCF.

Key findings of the Readiness Needs Assessment and proposed measures for the future use of GCF Readiness funding

The Readiness Needs Assessment identifies several challenges and needs in Niue. This includes insufficient institutional coordination as well as coordination and sharing of important data, limited private sector engagement in climate finance and resilience-building of businesses, low capacities for enforcing policies, and low capacities for developing concept notes and full-funding proposals to access climate finance. A strong limitation to addressing these barriers is the limited absorptive and capacity due to the small population size.

Identified needs and suggested approaches for enhancing Niue's Readiness using GCF Readiness grants are summarized below for the four Readiness areas. In the category of institutions and governance, this includes the following:

| Institutions and Governance (IG) | |
|---|--|
| Identified Need | Proposed Measure for the use of GCF Readiness Funding |
| IG1 Improve coordination mechanisms on climate change planning and implementation, both between government agencies and between the public and the private sector. | Coordination mechanisms can be improved by enhancing the recognition and acknowledgement of the PMCU and its mandate to steer national climate change matters among public and private sector stakeholders. This could include enhancing the PMCU's visibility to public and private sector stakeholders, for example by organizing roundtables with important sector focal points or by issuing a regular newsletter on recent developments. Alternatively, the envisioned Climate Change Unit could be established and vested with the mandate of climate change coordination, based on an assessment of strengths and weaknesses of current coordination mechanisms |
| IG2 Enhance the capacity of PMCU (both functioning as NDA and executing entity) to close remaining gaps for handling GCF processes and ensuring continued coordinative capacity. | To further enhance the capacity of the PMCU, outstanding capacity needs of the NDA for handling GCF processes should be identified after the full implementation of institutional strengthening and NDA capacity building measures under RP-002. Capacity needs can then be addressed through targeted trainings, developing manuals, and using GCF funding to hire NDA staff to address human capacity constraints. |
| IG3 Address remaining gaps to advance the DAE accreditation process of the Treasury's Department of Finance and Planning. | To to complete DAE accreditation of the Treasury's Department of Finance and Planning, gaps identified in the gap analysis performed in 2022 should be addressed, which are in the areas of basic fiduciary standards, specialized fiduciary standards and gender. The gap assessment should further be complemented by another gap assessment targeting the aspects of the background information on the entity, which was not assessed yet. To further advance the Niue Development Bank's capacity to engage with the GCF, the next measures of the 'no regrets approach' as outlined in the Institutional Capacity Assessment can be implemented. In the first phase, these steps relate to formalising the motivation and approach for how the Niue Development Bank would like to engage with GCF and develop first project concepts. |
| IG4 Enhance capacity of private sector to engage in adaptation activities and accessing climate finance. | To enhance knowledge on climate change adaptation strategies in the private sector and enable climate action, targeted expert advice and trainings can be provided in cooperation with the Met services on how individual industries can climate proof their businesses. Additionally, the regulatory and governance framework can be improved to create an enabling regulatory environment for the private sector to engage in climate finance activities once the assessment of regulatory environment issues its recommendations. The environment for private sector engagement can also be improved by establishing coordination mechanisms between the public and the private sector and developing a formalized framework for Public-Private-Partnerships that draws on the Private Sector Climate Finance Strategy that is to be finalized. |
| IG5 Enhance participation of communities in planning and implementation of climate change projects. | To increase the participation of communities, it is recommended to engage in knowledge and awareness raising to enhance communities' understanding of climate change and its impacts. Increasing the engagement of communities during consultation and planning processes also helps to build community ownership and stake in climate projects, for example by including respective village councils in planning processes. |

For the policy environment, the Readiness Needs Assessment identifies the following needs and approaches for enhancing Niue's Readiness:

| Policy Environment (PE) | |
|---|---|
| Identified Need | Proposed Measure for the use of GCF Readiness Funding |
| PE1 Improve the translation of policies and strategies into implementation and enforcement. | To ensure implementation and enforcement of policies, the coordination mechanism among governmental agencies needs to be strengthened. This can include strengthening existing monitoring and evaluation systems, for example through establishing a clear mandate, standard mechanisms, timeframes, and templates for reporting, as well as integrate oversight for monitoring and evaluation in the coordination mandate. Additionally, it is recommended engage in pipeline development through translating not implemented policy priorities into bankable projects for donor funding. Besides that, GCF Readiness funding could be requested for increasing staff capacity for overseeing and managing policy implementation. |
| PE2 Review and update important strategies, including the NCCP, to align with the climate priorities outlined in the NNSP. | Reviewing and updating climate strategies supports alignment and mainstreaming of Niue's change objectives and priorities across development pillars. Developing national guidelines to incorporate climate risks and opportunities, based on the objectives laid out in the NNSP, can also support alignment of future sectoral policies. Niue's Climate Change Mainstreaming Strategy (2022) lays out actions for mainstreaming, which include updating the NCCP, specifically with regards to develop an integrated approach to data management (see also IDK1), enhancing capacities in policy and planning units on climate change and disaster risk reduction mainstreaming and climate finance proposal writing skills, and establishing timelines for reviewing and updating sectoral policies. |
| PE3 Implement adaptation strategies to increase Niue's resilience to climate change. | Support and complement the adaptation activities outlined in the NAP Readiness Proposal, which include reviewing the existing national policy framework and addressing gaps in capacity for adaptation planning, strengthening policy coordination and building capacity of existing institutions and stakeholders across key sectors and industry. For example, additionally needed scoping studies to reduce vulnerability and improve resilience are needed in the following areas: a) sustainable waste management / organic concepts, e.g. composting, b) resilience against invasive species that pose risks in the agricultural and tourism sector and c) increase of non-communicable diseases due to climate change and appropriate resilience measures. |

Identified needs and approaches for enhancing Niue's Readiness in the category of pipeline development are presented below:

| Pipeline Development (PD) | |
|--|---|
| Identified Need | Proposed Measure for the use of GCF Readiness Funding |
| PD1 Investment prioritization methods | To improve the understanding of Niue's domestic climate finance spending and demonstrate co-financing ability when approaching donors for accessing additional climate finance, a climate finance mapping needs to be conducted. In the long-term, establishing a system to tag climate expenses in the public budget can be useful to generate these insights continuously and with in-country capacity over time. |
| PD2 Establish de-risking tools and methods and enable easy access to climate finance. | To facilitate the implementation of local climate change resilience projects, an enabling environment for climate finance needs to be created. Before de-risking tools can be set up, other capacities need first to be strengthened, but the government and the Niue Development Bank could benefit from training that provides a general overview and explains the basics of de-risking tools could be useful. Besides this, the two options laid out in the Private Sector Options Paper, referring to a Climate-smart tourism risk sharing facility and a Climate-smart agriculture risk sharing facility, could be further explored through assessments and scoping studies to determine the most suitable institutional design and regulatory set-up of these facilities, determine financial resource mobilisation, etc studies. |

Regarding the Readiness category of information, data and knowledge, the Readiness Needs Assessment identifies the following needs and approaches:

| Information, Data and Knowledge (IDK) | |
|--|---|
| Identified Need | Proposed Measure for the use of GCF Readiness Funding |
| IDK1 Improved coordination mechanisms for sharing and accessing data. | To improve coordination mechanisms for sharing and accessing data, the existing data management system should be upgraded by establishing a data framework for collecting, managing, and sharing relevant climate change-related data continuously across ministries and government agencies. This data framework should be informed by a mapping of the climate data landscape in Niue to assess what data is generated, used, and needed. The implementation can be supported by designing standardized protocols for data collection, formats and management and appointing and training staff in ministries to be responsible for contributing to the data management system. |
| IDK2 Development of targeted knowledge tools for private and public sector. | The envisioned climate information products and trainings targeted at the private sector (see IG4) should be extended to the public sectors to enhance knowledge and enable sector specific climate action. |

| | |
|--|--|
| IDK3 Improve information base for adaptation through collecting vulnerability data. | To improve data availability for adaptation and resilience building, mechanisms for continuous data collection, specifically on climate change vulnerabilities and risks, need to be established. This activity should be aligned and integrated with data collection processes foreseen for the NAP development. Next to establishing best practices for data collection and training responsible staff, this can also include developing a vulnerability index. This would support monitoring of vulnerabilities over time through establishing regular timeframes for collecting and reporting data, in line with the suggested mechanisms for coordination on data (IDK1). |
| IDK4 Conduct climate finance tracking for enhancing transparency of public climate finance flows. | To enhance transparency and insights about public climate expenditures in the absence of a dedicated climate budget in Niue, climate finance tracking can be useful to fulfill MRV purposes (PD1). In the short-term, this can be realized through a mapping of public climate finance flows to enhance transparency and make public climate expenditures visible. In the long-term, establishing a budget tagging system could be useful to continuously engage in climate finance tracking and ensure sustainability of transparency measures. |
| IDK5 Establish monitoring processes of the implementation of important climate strategies, including the NAP, NDC, NCCP | Establishing regular monitoring of the implementation of the NAP, the NDC and the NCCP supports identifying the need for climate finance from private and international public sources. This can be done by establishing standardized M&E procedures, synchronizing the timeframes for M&E of climate strategies to evaluate Niue's overall progress in achieving its climate objectives, and assigning and training responsible staff. |

1. Background

A **vision** to guide Niue in closing its Readiness and using GCF Readiness funding in the future can be summarized as follows:

“Niue can use multi-year GCF Readiness funding to build a more robust and coordinated approach to climate resilience by addressing the gaps and needs identified in this Readiness Needs Assessment. Niue can significantly strengthen its capacity for accessing climate finance and implementing responses to climate change in the following three issue areas. First, enhancing national coordination systems will improve the environment and enable the design and implementation of targeted projects.

This can start with developing a centralized system and institutional processes for cooperation on climate information and vulnerability data and creating a related system for monitoring and evaluating the implementation of climate change policies and strategies. Additionally, this can include setting up a system for the MRV of climate finance to support accessing international resources. Second, continuing the process of building capacities of the nominated DAE candidates will support Niue in its journey to direct access and build capacity of national organisations for planning and engagement in climate finance delivery.

Third, providing climate information services and trainings for the private sector and advancing the concepts of private sector risk sharing facilities will contribute to a holistic response to climate change by all relevant stakeholders. By addressing these three focus areas, Niue accelerates its climate action at all levels, from governmental decision-making to the private sector, supporting its ambition of mainstreaming climate action and thereby enhancing its resilience.”

Niue’s contribution to global greenhouse gas (GHG) emissions accounts for less than 0.0001%. Despite this vanishingly low contribution and being a net sink of GHG emissions, Niue is committed to reduce its domestic emissions, specifically in the energy sector. Accordingly, the government of Niue set the goal of meeting 80% of its electricity needs with renewable energy sources by 2025, which will also reduce Niue’s dependence on fossil fuel imports (NDC, 2015). At the same time, Niue faces several threats to its sustainable development that are exacerbated by climate change as people’s livelihoods strongly depend on resources that highly sensitive to weather and climatic changes. Priority areas and sectors that are threatened by climate change are water (which faces the threat of saline contamination due to sea level rise), agriculture (which is strongly dependent on freshwater supply and is furthermore threatened by increasing temperatures and changing precipitation patterns leading to droughts), the health of coral reefs and ecosystems (which are endangered due to rising ocean temperatures and ocean acidification) that directly affects fisheries and tourism opportunities, and infrastructure (which is threatened by increasingly intense cyclones) (SFCP, 2024; NDC, 2024).

Cognisant of the country’s vulnerability to the current and projected impacts of climate change, Niue is actively working on identifying its climate related priorities and investment needs. For example, Niue has established its National Climate Change Policy (NCCP) (2009) to lay out the country’s strategic approach for governing climate change. Niue’s Joint National Action Plan (JNAP) for Disaster Risk Management and Climate Change Adaptation (2012) aims to build and enhance resilience of its people and ecosystems. To review and update the JNAP and thereby advance adaptation planning, a GCF Readiness Proposal titled “Developing Niue’s National Adaptation Plan for Medium to Long-Term Adaptation” has been submitted in February 2024 to the GCF for assessment. However, for funding and implementing meaningful climate action, Niue is strongly dependent on international climate finance as it has limited domestic financial resources and receives assistance accounting for 70% of its GDP from the New Zealand Government (SFCP, 2024). To this point, the country inter alia engaged with regional institutions, such the South Pacific Environment Programme (SPREP) and the United Nations Development Programme (UNDP) to access climate finance from sources such as the Green Climate Fund (GCF) and the Global Environment Facility (GEF) as well as other bilateral donor programs.

Table 1. Niue’s engagement with GCF.

| Readiness Proposals and Programmes | Concept Notes (CN) and Project Preparation Facility (PPF) Support | GCF Funding Proposals |
|---|--|--|
| RP-001 NDA <u>Strengthening and Country Programming support for Niue through SPREP</u> (approved national Readiness Programme) (2017) | <u>Strengthened Weather and Climate Services for Resilient Development for Pacific Islands</u> (multi-country CN approved and advanced in FPI47, see right) (2018) | FPI47: Enhancing Climate Information and Knowledge Services for resilience in 5 island countries of the Pacific Ocean (approved multi-country project) |
| RP-002 <u>Strengthening of the Niue NDA and Niue’s Access to Climate Finance</u> (approved national Readiness Programme) (2021) | <u>Adapting tuna-dependent Pacific Island communities and economies to climate change</u> (approved PPF for developing multi-country funding proposal) (2022) | |

| | | |
|---|---|--|
| Niue Direct Access Entity Support (1705-14622) | Water Security and Infrastructure (relocation) with SPC as the Accredited Entity (research, feasibility studies and vulnerability and risk assessments for the development of this national concept note are ongoing) | |
| Niue Accreditation gap assessment and action plan for Niue's budget and finance unit (2101-16654) (currently being implemented) | | |
| Developing Niue's National Adaptation Plan for Medium to Long-Term Adaptation (currently under review by GCF) (2023) | | |

Next to the policies and strategies to govern its climate policy, an institutional framework for consultation and coordination of matters relating to accessing GCF funding exists in Niue. This consists of the NDA (PMCU) and the no-objection procedure that involves the Government Project Oversight Steering Team (POST) in ensuring that projects are aligned with the NNSP and informing the grounds of a no-objection letter being issued. However, with regards to institutional coordination and coordination and sharing of data, engagement of the private sector in climate finance, enforcement of policies, and developing projects, concept notes and full funding proposals, Niue experiences certain challenges. Here, support of the GCF Readiness and Preparatory Support Programme (“GCF Readiness”) can be harnessed to further identify, design, and implement transformational climate change interventions. Identifying specific support needs to enable access to climate finance Readiness needs can help the National Designated Authority (NDA) in further planning the use of GCF Readiness funding over the next years in accordance with the GCF Country Programme.

Hence, commissioned by the SPREP, a Long-term Readiness Needs Assessment was initiated in 2023. Through a consultation process with a broad variety of stakeholders, Readiness needs and key priorities for a future GCF Readiness portfolio for Niue were identified. This report presents the findings of the Readiness Needs Assessment and a long-term Readiness Action Plan for addressing climate finance priorities. This action plan serves as the basis for integrated and multi-year planning of Readiness activities for Niue (while using the labels “long-term” and “multi-year”, it must be clear that GCF Readiness support should be sought rather sooner than later to set the stage for accessing GCF funding in the near future; hence, the action plan works with a timeline until 2028). While this report aims to serve as strategic support for the NDA in planning GCF Readiness resources, it should be noted that not all of the needs identified in this in-depth assessment must and can be addressed in the next GCF Readiness Program. Consequently, Niue needs to prioritize issue areas and respective measures, based on their expertise of national context and ongoing processes.

2. Methodology

“Ready for what? Through accessing Readiness support, countries are ready for engaging with the GCF in order to accomplish the common objectives of implementing the UNFCCC and the Paris Agreement.”

GCF Readiness and Preparatory Support Programme Guidebook, 2020

The **overall goal** of conducting a Readiness Needs Assessment and subsequently developing a long-term Readiness Action Plan is to support the development of integrated and multi-year GCF Readiness planning as well as the strategic use of GCF Readiness funds for Niue. Multi-year Readiness allows accessing finance for implementing Readiness activities that span a timeframe of four years and require up to USD 4 million. The aim of the GCF Readiness and Preparatory Support Programme is to help National Designated Authorities (NDAs) or Focal Points, Direct Access Entities (DAEs) and other developing country stakeholders to:

- Engage in the planning and design of bankable climate investments that reflect national strategies and priorities.
- Strengthen broader enabling environments and financial systems for helping stakeholders to bring full funding proposals to the GCF.

To support developing country stakeholders in achieving these aims, the GCF Readiness and Preparatory Support Programme provides funding for enhancing countries’ Readiness in the following objectives: capacity building for climate finance coordination, strategic framework development for low-emissions investments, strengthened adaptation planning, paradigm-shifting pipeline development, and knowledge sharing and learning (Table 2).

Table 2. Revised objectives and outcomes of the GCF Readiness and Preparatory Support Programme under the revised strategy 2024 – 2027¹

| Objective | Outcome |
|--|---|
| Objective 1. Capacity-building for climate finance coordination and setting up the enabling environment for integrated climate investment. | Outcome 1.1 Developing countries, through NDAs or focal points, have enhanced capacity and coordination mechanisms to engage relevant stakeholders to develop, advance, and implement NDCs, NAPs, Long-term (Climate) Strategy (LTS) and Country Programme. |
| | Outcome 1.2 Developing countries design and implement strategic frameworks (including NDC/NAP/LTS), policies and instruments, including climate investment plans, to create enabling environments for integrated climate investments. |
| | Outcome 1.3 Direct access applicants and accredited entities (DAEs) have met and maintained the accreditation standards of the GCF and strengthened their programming capacities, as evidenced by the development of GCF-funded activities. |
| Objective 2. Paradigm shifting GCF pipeline development and implementation for adaptation and mitigation, based on country needs and guided by the Updated Strategic Plan-2 (USP-2) programming targets. | Outcome 2.1 Developing countries have developed or updated their country programmes to guide GCF investment. |
| | Outcome 2.2 Developing countries have developed high-quality concept notes linked to approved GCF proposals for adaptation and mitigation that are aligned with the USP-2 results, including through DAEs, that build on Readiness support and country programmes. |
| | Outcome 2.3 NDAs and DAEs have enhanced processes and systems to effectively oversee the implementation, financial management, monitoring and reporting of climate programmes and projects |
| Objective 3. Knowledge-sharing and learning to enhance national and regional cooperation on climate programming and financing. | Outcome 3.1 Developing countries have made use of knowledge products to address policy gaps and integrated climate investment programming and implementation. |
| | Outcome 3.2 Enhanced collaboration among developing countries on climate change issues, evidenced by transboundary and regional cooperations/South-South cooperation. |

The Readiness Needs Assessment presents the basis for developing the long-term Readiness Action Plan, which aims to support the NDA in the strategic planning of how to use GCF Readiness funding and this guides the development of future Readiness Proposals. The Readiness Needs Assessment identifies the key gaps in its capacity to access climate finance and to develop and implement related projects, and thereby assists Niue in answering the key questions :

- What support would be required to prepare long-term climate strategies?
- What data and knowledge gaps inhibit the development of ambitious NDCs and NAPs?
- What support is needed to facilitate and expedite implementation of priorities identified in the NDC and other national climate change strategies?
- What barriers exist to accessing scaled-up finance across priority sectors, especially with regards to leveraging private sector investment and technology deployment?
- How can national and subnational institutions be strengthened to deliver on mitigation and adaptation priorities, including through new and innovative financial mechanisms?
- How can the country increase a) complementarity of climate action funded through multiple financial streams and b) the coherence of their programming processes to drive long-term low-emission and climate-resilient development

²GCF, 2020. Readiness and Preparatory Support Programme Guidebook.

The **evidence base** for this Readiness Needs Assessment draws on important literature (policy documents, climate change strategies, previous capacity assessments, etc.) as well as face-to-face consultations with key stakeholders from ministries, government agencies, academia, civil society organisations (CSOs) and the private sector (see Annex I for a list of stakeholders consulted). The **methodology** employed in this Readiness Needs Assessment builds directly on the Readiness Needs Assessment framework as outlined in the GCF Readiness and Preparatory Support Programme Guidebook, which outlines criteria for identifying key gaps in a country's capacity to access climate finance and to develop and implement related projects in the following four focus areas:

1. institutions and governance,
2. policy environment,
3. pipeline development, and
4. information, data and knowledge. For this, each subchapter follows the same structure. First, the Identified Readiness gaps section presents Niue's Readiness assessed against the criteria demonstrating good Readiness as outlined by the GCF.

Second, the Addressing Readiness needs section suggests approaches for using future Readiness funding to address the respective Readiness needs resulting from the identified gaps. Through aligning identified needs with the Readiness objectives and outcomes (Table 1), the long-term Readiness Action Plan serves as the basis for the development of multi-year Readiness proposals. The long-term Readiness Action Plan is oriented along the following elements, as outlined by the GCF Readiness Guidebook:

- Overview of the country Readiness needs over the medium-term (three to five years),
- Demonstration of how the country intends to deploy the Readiness support across multiple objectives in a coherent way,
- Strategic and comprehensive view of Readiness support to be achieved by enhancing coordination at the national level and engaging with stakeholders in national and subnational government, CSOs, communities and the private sector.

3. Readiness Needs Assessment

The following sections provide a systematic assessment of Niue's climate finance Readiness needs, and how future Readiness activities can address these needs in the four Readiness categories institutions and governance, policy environment, pipeline development, and information, data, and knowledge. First, GCF criteria that characterize a country's Readiness in each of the four Readiness categories are presented. Against these criteria, Niue's Identified Readiness gaps and needs are then presented. Secondly, Approaches for using Readiness funding to address the existing needs are outlined while considering ongoing and planned Readiness activities.

³GCF, 2023. Readiness and Preparatory Support Programme Guidebook.

⁴<https://www.greenclimate.fund/sites/default/files/document/Readinessguidebook-version1.pdf>
For the specific criteria, refer to the 'context' section of each assessment category.

3.1. Institutions and governance

Identified Readiness gaps and needs

This section presents the envisioned Readiness goals and characteristics for a country's institutions and governance (Table 3). Strong institutions and governance are the basis for delivering effectively on mitigation and adaptation priorities, as institutions perform the important roles planning and coordination. Consequently, strengthening institutions for climate finance coordination and setting up the enabling environment for integrated climate investment is one of the priorities of the GCF RPSP as evidenced in Objective 1 (see Table 2). The Readiness Needs Assessment finds that the most urgent gaps and needs to address in Niue's institutions and governance concern the coordination on climate change planning – both between governmental agencies and between the government and the private sector, and the need for targeted climate change advice and training that is tailored to sectors and needs to be provided both to private sector businesses and public stakeholders (Table 3).

Table 3. Identification of Niue's gaps and needs in the category of institutions and governance, based on the Readiness goals as outlined by the GCF RPSP Guidebook (2023)⁵.

| Institutions and actors | Readiness goals as outlined in the GCF Guidebook | Identified gaps and needs in Niue |
|-------------------------------------|--|--|
| National designated authority (NDA) | The NDA conducts coordination, stakeholder engagement, programming, priority setting, and increasing the complementarity and coherence of climate finance flows. NDA engages and coordinates with other climate / sustainable development focal points across ministries and subnational governments, the private sector, civil society, and other providers of climate finance such as the donor community. | <ul style="list-style-type: none"> The PMCU, which functions as Niue's NDA but holds multiple functions in governance and administration, in general faces a number of issues, including the following (that are not only related to its NDA function): a lack of clear processes and inconsistencies in the approach to project management; inadequate software for project management; excessive workload (Assessment of Project Management Coordination Unit (PMCU) and Roadmap for Strengthening Capacity, 2022). Next to institutional capacity, improving coordination in climate change planning presents an important need to address. While the PMCU currently has the mandate of climate change coordination between government agencies, it needs more acknowledgement among stakeholders (CP Workshop, 2 Nov 2023). Part of the problem is that there are plans for establishing a separate Climate Change Unit that would be competing over the climate change mandate with the PMCU. However, this unit does not exist currently (personal communication Anna – Annmarie). Besides that, there is no clear mechanism for coordination of and implementation of climate change/adaptation related policies, which is one of the most important barriers for adaptation planning in Niue (RP-NAP, 2023). Human capacity presents a cross-cutting challenge in Niue as the population size and available staff is small, which constraints Niue's absorptive capacity for implementing projects and capacity building measures (RNA Workshop, 9 Nov 2023). |

| | | |
|--|--|---|
| Direct access entities (DAEs) and candidates for accreditation | These entities meet and maintain GCF standards for accreditation. They engage in the programming process at the national level and develop, implement, and monitor transformational investments for low-carbon and climate resilient development through using a wide range of financial instruments and blending sources of finance | <ul style="list-style-type: none"> A nationally accredited DAE does currently not exist, but the Ministry of Finance & Planning (MoFP) aspires to gain direct access to the GCF. It has recently undergone an independent assessment of accreditation standards that reveals several gaps in the basic and specialized fiduciary standards as well as Environmental and Social Safeguards (ESS) standards (Gap Assessment for Readiness Support Green Climate Fund: Ministry of Finance & Planning, Niue (MoFP), 2022). The GCF strongly recommends that Niue elaborates a vision and strategy for obtaining direct access to GCF resources (GCF feedback on SFCP, 2024). The Niue Development Bank (NDB) as the major provider of lending services in Niue is considered well placed to become a GCF Delivery Partner for the Private Sector. Under RP-1, an institutional capacity assessment and action plan were produced to enable NDB to clear the GCF Financial Management Capacity Assessment (FMCA). The assessment found that the most important gaps relate to a) a clear process to set, and measure progress against, organisational objectives, b) an independent audit committee or comparable body to oversee the work of the internal audit function, c) formalised procedures and guidelines for internal controls, d) a formal procurement policy and procedures, e) procedures and tools to manage the various phases of the (donor) project cycle and f) a track record demonstrating effective execution of all of the above (Institutional Capacity Assessment, 2020). Under RP-2, the NDB will develop a medium-term strategy to strengthen its capacity to be an active stakeholder in climate finance activity, which includes scoping the requirements of becoming a Green Bank, developing policies on on-lending and blending (SFCP, 2024). To engage with the GCF and ultimately become a DAE, the NDB's still needs to take many steps outlined in its 'no regret approach' (Institutional Capacity Assessment, 2020). |
| Executing entities | These entities are national partners that can receive, deploy, and report to DAEs and AEs on the use of GCF funds, based on their compliance with GCF policies, standards and safeguards. | <ul style="list-style-type: none"> Executing entities have limited capacity. The Department of Environment in the Ministry of Natural Resources, which will oversee leading climate change adaptation planning and implementation, has limited capacity (RP-NAP, 2023). The PMCU, which functions as the NDA, also serves as the executing entity for implementing the GCF approved regional project FPI47: Enhancing Climate Information and Knowledge Services for resilience in 5 island countries of the Pacific Ocean in Niue. The challenges identified above in the PMCU's also apply here, e.g., a lack of clear processes and inconsistencies in the approach to project management; inadequate software for project management; excessive workload; limited acknowledgment among stakeholders and general human capacity limitations (Assessment of Project Management Coordination Unit (PMCU) and Roadmap for Strengthening Capacity, 2022). |

| Institutions and actors | Readiness goals as outlined in the GCF Guidebook | Identified gaps and needs in Niue |
|---|--|---|
| Domestic private sector stakeholders and providers of climate finance | These actors are engaged and understand the concept of green finance. They can identify, appraise, and finance low-carbon and climate-resilient investment opportunities, including co-finance and parallel finance for GCF projects, and can access financing for their climate-relevant products and services. | <ul style="list-style-type: none"> There is not sufficient coordination / alignment between government agencies with climate change mandates and the private sector. Within the private sector there is confusion about the institutional responsibility / mandate for climate change matters, which is partly because this mandate has shifted several times. Another barrier that prevents private sector engagement in Niue's climate action is the lack of a formalised framework for Public-Private-Partnerships (PPPs) (RNA Workshop, 9 Nov 2023). While the private sector is aware of climate change in general, participation in adaptation planning and implementation is limited (RP-NAP, 2023). The private sector lacks practical information on how to climate-proof their businesses. Business would strongly benefit from receiving targeted / tailored advice from climate change experts how climate change will affect their specific operations, as different sectors face different challenges (RNA Workshop, 9 Nov 2023). Knowledge on climate finance and how to access it is limited, as the staff trained explicitly in this aspect has left the position (RNA Workshop, 9 Nov 2023). |
| Non-governmental and civil society organizations (CSOs) | CSOs are provided opportunities to participate in the planning process at national and subnational levels, including in data collection, investment monitoring and evaluation protocols for climate finance. | <ul style="list-style-type: none"> There is only limited knowledge and understanding of climate change and its impacts as well as the national response and resilience mechanisms among communities (CP Workshop, 2 Nov 2023). More awareness and better understanding of climate change and its impacts on Niue, including on the different sectors, businesses, and communities, is needed. Education is central to strengthening the capacity of future generations (RNA Workshop, 9 Nov 2023). There are some climate change resilience projects at the community level, however, there should be more engagement of communities / indigenous peoples in the implementation of projects on the ground (CP Workshop, 2 Nov 2023). There is limited awareness among communities and individuals on vulnerabilities and resilience practices (RP-NAP, 2023) and little participation by civil society and communities in government efforts to address climate risks. |

Addressing Readiness needs

This section outlines approaches how Niue can use Readiness funding to address the gaps and needs identified above, while also considering ongoing measures covered in the current Readiness Program Strengthening of the Niue NDA and Niue's Access to Climate Finance (RP-002) and the Readiness Proposal Developing Niue's National Adaptation Plan for Medium to Long-Term Adaptation (RP-NAP, 2023) to avoid duplication and capture synergies. Suggested approaches are aligned with the updated objectives of the revised strategy for the Readiness and Support Program 2024-2027 (see Table 2) to facilitate the development of future Readiness proposal(s) for Niue's NDA, the PMCU.

⁹Office of the Secretary for Government, Government of Niue, 2021. Strengthening of the Niue NDA and Niue's Access to Climate Finance. <https://www.greenclimate.fund/sites/default/files/document/niue-sprep-niu-rs-002.pdf>

Table 4. Approach for using Readiness funding to address Niue's gaps and needs in its institutions and governance.

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---|---|--|---|
| IG1 Improve coordination mechanisms on climate change planning and implementation, both between government agencies and between the public and the private sector. | <p>RP-002 aims to improve upon the existing coordination mechanisms, including alignment of policies and procedures to the climate financing function through:</p> <ul style="list-style-type: none"> Improving clarity on the processes articulating the coordination and responsibilities of government departments in Niue's climate projects across the project cycle. Developing clear operating procedures outlining the required functions, processes, and guidelines for the project cycle to support the PMCU and Project Oversight Steering Team (POST) to manage and monitor project development and implementation, including projects funded by climate finance. | <p>Improve recognition and acknowledgement of the PMCU's mandate of coordination national climate change matters among public and private sector stakeholders. Potential activities:</p> <ul style="list-style-type: none"> Enhance the PMCU's visibility to public and private sector stakeholders, for example by organizing a (recurring) roundtable with important sector focal points to institutionalize an exchange mechanism for climate change planning and implementation, by issuing a regular newsletter on recent developments, etc. <p>OR</p> <p>establish the envisioned Climate Change Unit and transfer the coordination mandate. Potential activities:</p> <ul style="list-style-type: none"> Assess existing coordination structures and based on that develop optimal procedures for this Climate Change Unit. Vest the Climate Change Unit with a clear mandate that has high-level political support. Staff the Climate Change Unit and provide capacity building to ensure that coordination functions can be performed as planned. | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.1 Enhanced capacity and coordination mechanisms</p> |
| IG2 Enhance the capacity of PMCU (both functioning as NDA and executing entity) to close remaining gaps for handling GCF processes and ensuring continued coordinative capacity. | <p>RP-002 includes several measures for institutional strengthening and enhancing the NDA's capacity:</p> <ul style="list-style-type: none"> Recruitment of a project coordinator and a Readiness project manager. Development of an internal project cycle process. Development of a Standard Operating Procedures manual for the NDA. | <p>Identify outstanding capacity needs after the full implementation of institutional strengthening and NDA capacity building measures under RP-002. Potential activities include:</p> <ul style="list-style-type: none"> Assessment of capacity needs in the NDA for handling GCF processes and ensuring continued coordinative capacity. Design and implement trainings and manuals for capacity building. Use GCF funding to hire (and train) NDA staff to address the human capacity constraint. | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.1 Enhanced capacity and coordination mechanisms</p> |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|--|--|--|---|
| | <ul style="list-style-type: none"> • Trainings for PMCU, POST and key sectoral focal points on project management, environmental and social safeguards, gender and social inclusion, climate financing and accessible modalities, etc. • Establishing a regional NDA network to support capacity building of the NDA Office and supporting personnel through south-south learning. | | |
| <p>IG3 Address remaining gaps to advance the DAE accreditation process of the Treasury's Department of Finance and Planning and strengthen the Niue Development Bank for engagement with the GCF.</p> | <p>RP-002 supports the Treasury's Department of Finance and Planning, which was nominated for DAE accreditation, through addressing the shortcoming identified in the gap assessment. Specifically, this will focus on developing an environmental and social safeguards system (ESS) and its implementation to meet a core standard of the GCF accreditation. Additionally, RP-002 will continue to work with the Niue Development Bank to build its function within providing support to the private sector for climate actions, e.g., co-financing of climate financing projects through loans etc.</p> | <p>Address outstanding gaps in the Treasury's Department of Finance and Planning processes and policies, as identified in the gap assessment, to complete DAE accreditation. Potential activities include:</p> <ul style="list-style-type: none"> • Complete the gap analysis: the gap assessment focused on the GCF standards and requirements for sections 4 – 7 (fiduciary management, environmental and social safeguards (ESS) and gender). Gaps in the sections 1 – 3 (background information on the entity) still need to be assessed. • Address outstanding gaps in sections 4 – 7 that are not covered under RP-002, which focused on addressing the ESS (section 6). This relates specifically to the basic fiduciary standards (section 4), specialized fiduciary standards (section 5) and gender (section 7). <p>Continue to advance the capacity of the Niue Development Bank according to the 'no regrets approach' laid out in the Institutional Capacity Assessment (2020) to consider the absorptive capacity of the Bank:</p> | <p>Outcome 1.3 Direct access applicants and accredited entities (DAEs) have met and maintained the accreditation standards of the GCF and strengthened their programming capacities, as evidenced by the development of GCF-funded activities.</p> |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---------------------------|--|--|--|
| | <ul style="list-style-type: none"> • Trainings for PMCU, POST and key sectoral focal points on project management, environmental and social safeguards, gender and social inclusion, climate financing and accessible modalities, etc. • Establishing a regional NDA network to support capacity building of the NDA Office and supporting personnel through south-south learning. | <p>First, take actions to finalize Phase 1 – Formalise why and how NDB would like to engage with GCF + Develop Project Concepts:</p> <ul style="list-style-type: none"> • After completing the medium term strategy under RP-002, establish the position of a Projects and Business Development Officer to strengthen the institutional capacity in managing a) the development and institutionalisation of policies, procedures, and tools in support of the project preparation and appraisal phase of (NDB) project management and b) the development of new climate finance projects for the NDB, building on project ideas that have been identified, e.g. the SFCP. • Formulate procedures and tools to guide project preparation and appraisal. • Develop a (climate change-related) project concept note that aligns with the project pipeline set out in the SFCP, which has identified two sector-specific project ideas that are aimed at promoting climate-resilient private sector development and which align with the NDB's mandate and track record of experience: a) concessional business loans to support businesses to manage their climate risks) and b) mentoring and coaching to help businesses develop loan applications. Submit the concept note to relevant donors. • Establish a Board sub-committee to oversee the work of the internal audit function, which will be a key mechanism to drive the improvements of systems and procedures that are necessary for becoming an accredited DAE <p>Second, take actions in Phase 2 – Full project proposal + basic fiduciary standards, once Phase 1 is successfully completed and there is reason for continuing with the accreditation process.</p> | |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|--|--|--|---|
| <p>IG4 Enhance capacity of private sector to engage in adaptation activities and accessing climate finance.</p> | <p>RP-002 will build the capacity and understanding of Niue's Chamber of Commerce (NCOC) on how the private sector can engage in climate financing, including potential public-private partnerships. This includes how to mobilize and mentor the sector to work through the Private Sector Options Paper and develop a detailed action plan to support the sector with on-going implementation of the plan. The activities will also determine a pathway forward and the development of a private sector-driven project idea for consideration of submission to the GCF.</p> <p>RP-002 will assess Niue's regulatory framework in terms of supporting private sector investment and activity to support achievement of national climate change goals. The recommendations will be incorporated into the Options Paper action plan.</p> <p>RP-NAP aims to develop tailored climate information products targeting the private sector as well as training of private sector on climate information products. This already includes plans for also monitoring the relevance and effectiveness of climate information products and tools by the private sector.</p> | <p>Enhance knowledge on climate change adaptation strategies in the private sector and enable action through providing targeted expert advice and trainings. Potential activities:</p> <ul style="list-style-type: none"> In cooperation with the Meteorological Services, identify key climate change risks and vulnerabilities for the different sectors and businesses therein and develop adaptation and resilience building strategies. Already identified capacity building needs include: Develop and conduct training for farmers to build capacity for vulnerability assessments for food security, and resilient agricultural systems. Conduct awareness and capacity building programmes for behavioural changes of waste generators as well as waste management personnel. Develop and deliver Training of Trainers (TOT) programme on waste management and pollution control. <p>Provide tailored and practical training on how they can climate-proof their businesses, grouped per industry. This should include coaching and mentoring to assist businesses to (i) assess climate risks, (ii) formulate climate-resilient strategies, and (iii) prepare loan applications.</p> <p>Improve Niue's regulatory and governance framework to create an enabling regulatory environment for the private sector to engage in climate finance activities. Potential activities include:</p> <ul style="list-style-type: none"> Establish coordination mechanisms between the public and the private sector on climate finance to provide clarity on the institutional responsibility for coordinating climate change matters. For example, set up a focal point within the PMCU for engaging with the private sector, set up a website for visibility and providing initial information, etc. | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.1 Engage relevant stakeholders to develop, advance, and implement NDCs, NAPs and LTS</p> <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.2 Strategic frameworks (including NDC/NAP/LTS), policies and instruments to create enabling environments for integrated climate investments.</p> |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---|---|---|--|
| <p>IG5 Enhance participation of communities in planning and implementation of climate change projects.</p> | <p>RP-NAP foresees a comprehensive package of activities /products to enhance awareness of climate science, impacts, risks and adaptation across government, private sector, civil society, and communities</p> | <ul style="list-style-type: none"> Develop and implement formalized framework for Public-Private-Partnerships (PPPs) and provide trainings to public and private sector staff. Develop an action plan / strategy to implement the recommendations that will result from the assessment of Niue's regulatory framework. Implement complementary activities to support the private sector strengthening as planned in the RP-NAP and realize recommendations from the assessment of the regulatory framework. <p>Finance the implementation of the Private Sector Climate Finance Strategy and Action Plan, which was developed based on the recommendations made in the Private Sector Options Paper, to support Niue's private sector in accessing climate finance.</p> | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.1 Engage relevant stakeholders to develop, advance, and implement NDCs, NAPs and LTS</p> |
| | | <p>Build / Enhance knowledge, awareness and understanding of climate change and its impacts as well as the national response and existing resilience mechanisms among communities. Potential activities:</p> <ul style="list-style-type: none"> Design and implement a national communication campaign on climate change, its impacts on Niue and existing response mechanisms, in line with the National Climate Change and Communications Strategy. Targeted information provision / trainings / capacity building for selected settlements and communities on climate change emergency responses. <p>Increase participation of communities in climate change projects. Potential activities:</p> <ul style="list-style-type: none"> To address the cross-cutting issue of limited awareness of especially the youth on climate change and related issues, awareness raising campaigns and stronger integration into education are needed. Increase community engagement through community-based projects with responsibility for implementation on the ground. | |

3.2. Policy environment

Identified Readiness gaps and needs

This section presents the envisioned Readiness goals and characteristics for a policy environment to effectively govern national climate change priorities (Table 5). A coherent and harmonized policy framework is the basis for effective governance processes that contribute to national climate change priorities. The policy environment should integrate these priorities into national planning processes and formulate strategies that guide climate finance investment decision-making and action plans for implementation, thereby facilitating efficient deployment of climate finance from both domestic and international sources. Therefore, strengthening the policy environment to create an enabling environment for climate investments is reflected in the Objective 1 (including NDCs, NAPs, LTS,) and Objective 2 (including the Country Program) of the GCF RPSP (see Table 2). The Readiness Needs Assessment finds that the most urgent gaps and needs to address in Niue's policy environment concerns the implementation and enforcement of policies and strategies for increasing Niue's resilience to climate change (Table 5).

Table 5. Identification of Niue's gaps and needs in the category of policy environment, based on the Readiness goals as outlined by the GCF RPSP Guidebook (2023).

| Policy or planning document | Readiness goals as outlined in the GCF Guidebook | Identified gaps and needs in Niue |
|--|---|---|
| National policy regime on climate change | The national policy regime addresses the specific national risks and opportunities arising from climate change through a legal framework that builds on compliance measures and incentive structures. Related acts and policies establish authority for coordinating and managing the national climate response in specific institutions and associated mechanisms. Acts and policies are approved in the parliament and have the force of law. National guidelines to incorporate climate risks and opportunities in development and other planning processes are established. | The policy framework on climate change is determined mostly by two policies in Niue: <ul style="list-style-type: none"> Niue's Climate Change Policy (NCCP) 2009 outlines Niue's objectives and strategies for dealing with climate change, both mitigation and adaptation, and provides the national climate policy framework. However, the draft framework for implementation seems to be incomplete, and includes only two strategies for the timeframe until 2013. The Niue National Strategic Plan (NNSP) 2016–2026, which outlines the vision of a prosperous Niue and sets strategic objectives for achieving this, mainstreams climate change considerations and risks. Specifically, the pillar on environment and climate change emphasizes a sustainable use of natural resources and addressing vulnerabilities through climate change mitigation and adaptation actions. However, translation of strategic objectives into policies and strategies falls under the responsibility of ministries and their departments. While policy development is advanced in Niue, implementing and enforcing said policies presents a challenge that arises from financial and technical capacity constraints (RNA Workshop, 9 Nov 2023). Another factor contributing to the enforcement challenge is that although many policies are being developed, institutional ownership is often unclear (Mission, 5 – 9 February 2024). Climate change adaptation, however, is not mainstreamed across Niue's seven national development pillars identified in the NNSP and lack a clear and costed plan to identify adaptation priorities (RP-NAP, 2023). |

| Policy or planning document | Readiness goals as outlined in the GCF Guidebook | Identified gaps and needs in Niue |
|---|---|---|
| Long-term strategies for low-carbon and climate-resilient development | These long-term strategies are aligned with the national development vision. At the same time, they reflect the goals of the UNFCCC and the Paris Agreement and outline a pathway for the country to achieve its obligations and contributions. The strategies also set out an iterative trajectory for developing future planning documents (NDCs and NAPs) through 2050 and include investment priorities and action plans. | <ul style="list-style-type: none"> Niue has not developed a long-term strategy for low-carbon and climate-resilient development that guides long-term future planning. However, there are several other planning documents for long-term climate change mitigation, including the Niue Strategic Energy Road Map and the renewable energy project AREAN. The Third National Communication to the UNFCCC, which is currently being developed, will provide information on emissions per sector and measures to reduce them, as well as resilience measures. Although a standalone planning document could be useful for climate change planning (specifically mitigation-focused) for Niue, it is consequently not a priority need to address. |
| Nationally Determined Contribution (NDC) | The NDC is developed with high-level political support to ensure transparent justification for its fairness and level of ambition. The NDC draws on the national policy regime and is informed by substantive sectoral strategies. The NDC is further backstopped by a monitoring, reporting, and verification system for climate finance flows, which are tracked and tagged in the public financial system. The NDC is complemented by a costed action plan to transform NDC priorities into climate investments. | <ul style="list-style-type: none"> Niue's submitted its INDC in 2015 and updated its NDC in 2024. The NDC establishes the planning framework until 2030 while building on the national policy regime, e.g., the draft Niue National Strategic Plan (2014–2019), National Climate Change Policy (2009) and Niue's Joint National Action Plan (JNAP) for Disaster Risk Management and Climate Change Adaptation (2012), as well as sectoral strategies (among others the Forest Policy, Niue National Energy Policy, Ecosystems Approach to Fisheries Management, Agriculture Sector Plan). |
| National Adaptation Plan (NAP) | The NAP is developed and updated in an iterative process, with a sound framework to produce the required data to inform vulnerability and risk assessments. The process includes expert knowledge as well as local knowledge and groups at highest risk. The process further reflects a gender-responsive approach and engages marginalized communities. The NAP is complemented by a resilience investment plan to engage private sector stakeholders, who are informed of the opportunities in financing adaptation priorities. | <ul style="list-style-type: none"> Currently, Niue's Joint National Action Plan (JNAP) for Disaster Risk Management and Climate Change Adaptation (2012) sets out the vision and objectives of building resilience in Niue. It also features a costed implementation strategy, a financing strategy and a monitoring and evaluation strategy. To finance the review and update the JNAP, Niue has developed a GCF Readiness proposal to the GCF in February 2024. The proposal focuses on capacity development in the Ministry of Natural Resources (MNR), sectors and communities to plan and implement adaptation actions; improving the flow of information on impacts, vulnerability, and adaptation; reviewing of national frameworks and strategic documents for climate change governance (RP-NAP, 2023). |

| Policy or planning document | Readiness goals as outlined in the GCF Guidebook | Identified gaps and needs in Niue |
|---|---|---|
| Sectoral policies, incentive schemes and other measures | These policies identify, address, and remove barriers to scaled-up investment, including market, technology, regulatory and other barriers. Technology solutions to address climate risks and opportunities for mitigation are tailored to the national and/or local context. The country's legal framework is favourable to climate investments and incentivizes the realization of low-carbon and climate-resilient projects. | <ul style="list-style-type: none"> The capacities to develop policies are quite high in Niue (RNA Workshop, 9 Nov 2023). Nevertheless, there are policies that would benefit from revision to enhance the integration of climate change objectives, as they date back prior to the NCCP (2009) (Niue National Energy Policy (2005), Niue Sustainable Coastal Development Policy (2008)). While other policies and strategies are more recent, the NCCP itself needs updating to align with the NNSP and its climate adaptation priorities (RP-NAP, 2023). However, the larger challenge lies with implementing and enforcing said policies due financial and technical capacity constraints, as mentioned above (RNA Workshop, 9 Nov 2023). |

Addressing Readiness needs

This section outlines approaches how Niue can use Readiness funding to address the gaps and needs identified above, while also considering ongoing measures covered in the current Readiness Program Strengthening of the Niue NDA and Niue's Access to Climate Finance (RP-002) and the Readiness Proposal Developing Niue's National Adaptation Plan for Medium to Long-Term Adaptation (RP-NAP, 2023) to avoid duplication and capture synergies. Suggested approaches are aligned with the updated objectives of the revised strategy for the Readiness and Support Program 2024-2027 (see Table 2) to facilitate the development of future Readiness proposal(s) for Niue's NDA, the PMCU.

⁸ National Integrated Waste Management Strategy and Action Plan (2010 – 2015), Climate Change and Health Plan (2012), Forest Management Plan for Niue (2013), Niue Integrated Water Strategic Plan (2014-2024), Niue Agriculture Sector Plan (2015 – 2019), National Integrated Strategic Energy Roadmap (NISERM 2015-2025), Niue Environment Management Strategy (NEMS) 2021-2024

⁹ Office of the Secretary for Government, Government of Niue, 2021. Strengthening of the Niue NDA and Niue's Access to Climate Finance. <https://www.greenclimate.fund/sites/default/files/document/niue-sprep-niu-rs-002.pdf>

Table 6. Approach for using Readiness funding to address Niue's gaps and needs in its policy environment.

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---|--|---|--|
| PEI Improve the translation of policies and strategies into implementation and enforcement. | <p>RP-002 aims to improve upon the existing coordination mechanisms, including alignment of policies and procedures to the climate financing function through:</p> <ul style="list-style-type: none"> Improving clarity on the processes articulating the coordination and responsibilities of government departments in Niue's climate projects across the project cycle. Developing clear operating procedures outlining the required functions, processes, and guidelines for the project cycle to support the PMCU and Project Oversight Steering Team (POST) to manage and monitor project development and implementation, including projects funded by climate finance. <p>RP-NAP plans to address the lack of a clear mechanism for coordination and implementation of climate change/adaptation related policies through developing Coordination Guidelines to support implementation of the NCCP. The guidelines will reflect responsibilities and information flow between the relevant Government functions involved in the implementation of the policy (DoE, PMCU/NDA, External Affairs, Niue Meteorological Services, and key sectors) with clear guidance on communication of information to all stakeholders. Additionally, RP-NAP includes updating the NCCP and reviewing the NDC.</p> | <p>Strengthen the coordination mechanism among governmental agencies to ensure implementation and enforcement. Next to approaches outlined above, potential activities could include:</p> <ul style="list-style-type: none"> Strengthening existing monitoring and evaluation systems, for example through a clear mandate for monitoring policies, standard mechanisms, timeframes, plans and templates for reporting. A body with the mandate to enforce policies is needed, and several bodies that could take over this function exist already, e.g. the regulatory board, the POST or the PMCU. Alternatively, oversight for monitoring and evaluation of the implementation of climate change policies and projects could also be integrated in the coordination mandate, e.g. currently the PMCU. For more detail, see the chapter on information, knowledge and data, monitoring and evaluation (DK5) which directly links to addressing the enforcement challenge. <p>As the resources for implementing climate projects relies largely on donor funding and is not directly funded by the national budget, sectoral policies and strategies get implemented only when donor funding becomes available. To facilitate policy implementation, GCF Readiness funding could be used to support the translation of policies into bankable projects and thereby build a pipeline for donor projects. Potential activities include:</p> <ul style="list-style-type: none"> Mapping of implementation status of national climate policies and sectoral climate strategies to identify implementation gaps and determine areas for project development. Mapping of donors, both partners that provide (financial) support to Niue (linkage with DK4) and potential future partners, to 'match' sectors and focus topics with suitable donors. Translate the identified policy priorities that have not been implemented into bankable projects. This should also closely build on the pipeline as stated in the SFCP (2024). Readiness funding could be used to develop project concepts that would include information on a) the strategic goal and relevance of the respective project, b) an indicative logframe detailing envisioned outcomes, outputs and activities, c) a rough estimation on costs and financial support needs, d) a stakeholder engagement plan including responsibilities for implementation. | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.2 Strategic frameworks (including NDC/NAP/LTS), policies and instruments to create enabling environments for integrated climate investments.</p> |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---|---|--|--|
| | | <p>Enhance the human capacity for overseeing and enforcing the policy implementation of important climate change related policies:</p> <ul style="list-style-type: none"> Identify and use support modalities for financing dedicated staff of the PMCU/NDA, such as for example the direct access modality for SIDS and LDCs under the RSP 2024-2027. Alternatively to increasing NDA staff, the idea of creating a Climate Change Unit could be further developed, including a clear mandate and responsibilities as well as funding for respective staff. | |
| <p>PE2 Review and update important strategies, including the NCCP, to align with the climate priorities outlined in the NNSP.</p> | <p>RP-002 covers the updating and finalization of Niue's Country Program (SFCP). Additionally, RP-002 will assess Niue's regulatory framework in terms of supporting private sector investment and activity to support achievement of national climate change goals. The focus of this will be on the regulatory framework for land ownership and lease arrangements, for accessing groundwater resources and unintended effects of previous government incentives.</p> | <p>Mainstream Niue's climate change objectives and priorities across development pillars by updating key policies and strategies. Potential activities include:</p> <ul style="list-style-type: none"> Assess the scope of (sectoral) policies and plans besides the Niue Food and Nutrition Security Policy 2015-2019 that require updating to align with Niue's climate change objectives as outlined in the NNSP and plan for updating of policies to align with other planning processes, e.g., the NAP development process. Update key sectoral policies (including the Niue Food and Nutrition Security Policy 2015-2019) and the NCCP, including developing an implementation framework and financing strategy. Niue's Climate Change Mainstreaming Strategy (2022) lays out actions for mainstreaming, which include updating the NCCP, specifically with regards to develop an integrated approach to data management (see also IDK1), enhancing capacities in policy and planning units on climate change and disaster risk reduction mainstreaming and climate finance proposal writing skills, and establishing timelines for reviewing and updating sectoral policies. Use Readiness funding to implement the actions laid out in these strategies. Develop national guidelines to incorporate climate risks and opportunities in sectoral policy making and development projects, based on the objectives laid out in the NNSP. | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.2 Strategic frameworks (including NDC/NAP/LTS), policies and instruments to create enabling environments for integrated climate investments.</p> |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---|---|--|---|
| | <p>RP-NAP aims to review the existing national policy framework, specifically on adaptation (including JNAP and other policies relevant to adaptation) to identify barriers and challenges, lessons learned and best practices. This includes updating of important policies such as the NCCP, for submission to Cabinet.</p> | <ul style="list-style-type: none"> Develop sectoral policies and strategies that are important for achieving Niue's climate objectives. This should include (among other potential focus areas) developing a Waste to Energy strategy for Solid Waste (MSW) as well as a legal and policy framework for the sustainable management of solid waste in Niue and establishing regulatory arrangements for accessing and using groundwater resources. | |
| <p>PE3 Implement adaptation strategies to increase Niue's resilience to climate change.</p> | <p>The RP-NAP aims to cover the NAP development process, including strengthening the institutional framework and developing the evidence basis through vulnerability assessments. This also includes developing a financing strategy for medium to long-term adaptation, considering all climate change finance options, innovative financing options and capacity of institutions and stakeholders to implement. The RP-NAP also plans to develop at least two concept notes with Accredited Entities.</p> | <ul style="list-style-type: none"> Support and complement the adaptation activities outlined in the NAP Readiness Proposal, which include reviewing the existing national policy framework and addressing gaps in capacity for adaptation planning, strengthening policy coordination and building capacity of existing institutions and stakeholders across key sectors and industry. For example, additionally needed scoping studies to improve resilience and support low-carbon development are needed in the following areas (link with IDK3): a) sustainable waste management / organic concepts, e.g. composting, as well as exploring of optimized waste management approaches for Niue, including cars and appliances b) resilience against invasive species that pose risks in the agricultural and tourism sector c) increase of non-communicable diseases due to climate change and appropriate resilience measures d) water security assessments for agriculture that support community projects using water tanks for irrigation of agricultural lands with expert analysis and e) scoping study on measures for improving efficiency of land transport (Mission, 5 – 9 February, 2024). Concrete adaptation strategies that are needed and identified as priority adaptation measures in the SFCP include: Increase water security of households through expanding and upgrading existing rainwater harvesting methods (e.g., connect rainwater tanks to residential roofs). Development of targets for deploying more fuel-efficient vehicles. Niue commits to develop and implement a waste minimization plan (including 3Rs, composting, characterisation, source separation) by 2030. | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.2 Strategic frameworks (including NDC/NAP/LTS), policies and instruments to create enabling environments for integrated climate investments</p> |

3.3. Pipeline development

Identified Readiness gaps and needs

This section presents the envisioned processes and functions of a country's pipeline development of GCF concept notes and full funding proposals (Table 7). A pipeline with prioritized projects and project ideas that informs the development of concept notes and full funding proposals forms the basis for engaging with the GCF and ultimately accessing GCF funding. Furthermore, the pipeline development helps to access climate finance in a structured manner and ensure that funded projects align with national mitigation and adaptation priorities as documented in strategic planning documents. Strengthening pipeline development processes and building a paradigm shifting pipeline for GCF investment to implement national mitigation and adaptation needs are reflected in Objective 2 of the GCF RPSP (see Table 2). The Readiness Needs Assessment finds that the most urgent gaps and needs to address in Niue's pipeline development processes relate to implement tangible climate action on the ground due to the lack of finance (Table 7).

Table 7. Identification of Niue's gaps and needs in the category of pipeline development, based on the Readiness goals as outlined by the GCF RPSP Guidebook (2023)¹¹.

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding |
|---|--|--|
| Investment prioritization methodologies | Methodologies are established and used to guide public investment towards projects and programs that are aligned with climate objectives and deliver the greatest mitigation and adaptation benefits. These methodologies are aligned with national climate strategies (NDCs, NAPs) and programming documents (Country Programme, DAE Work Programmes) and assessed to identify synergies. | <ul style="list-style-type: none"> There is no government budget dedicated specifically to climate change matters in Niue, but the government does fund several climate change related activities. However, these are not easily visible in the budget, and Niue lacks a good overview of their climate related budget spendings. To this end, mapping of Niue's climate finance flows would be useful to improve the understanding of Niue's domestic climate finance. This would also be useful to show evidence of Niue's domestic spending when approaching donors for accessing additional funding, for example when demonstrating domestic co-finance to leverage additional GCF/AF/GEF finance. While this climate finance mapping presents a short-term solution, the government of Niue could explore developing a climate finance tagging system to track Niue's climate finance flows continuously over time (Mission, 5 – 9 February 2024). |
| De-risking tools and methods | These tools are established to attract investment into priority sectors for both mitigation and adaptation. Priority sectors for investment are further de-risked through innovative financial instruments and structures. | <ul style="list-style-type: none"> Before considering de-risking tools, Niue still needs to address other issue areas, for example advancing the Niue Development Bank into a Green Bank and improve its financial instruments for the private sector (see also the chapter on institutions and governance, direct access entities). However, a training that provides a general overview and explains the basics of de-risking tools could be useful (Mission, 5 – 9 February 2024). |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding |
|---------------------------|---|---|
| | | <ul style="list-style-type: none"> To facilitate the implementation of local climate change resilience projects, an enabling environment for climate finance needs to be created, especially for the private sector. The Private Sector Options Paper laid out the options of a Climate-smart tourism risk sharing facility and a Climate-smart agriculture risk sharing facility. However, more assessments and scoping studies are needed to explore the best options for design and implementation of the facilities, which could potentially sit at the Niue Development Bank (Mission, 5 – 9 February 2024). |
| Concept notes | Concept notes (CN) for accessing GCF funding are readily developed. Concept notes build on a strong climate rationale, address the investment criteria of the GCF, and align with the sectoral guidance as issued by the GCF Secretariat. | <ul style="list-style-type: none"> Niue has participated in a regional GCF CN that aims at strengthening climate information services and early warning systems. This CN has been advanced to an approved full funding proposal (FP147) and is currently being implemented. Niue is also part of another regional CN that is currently in the pipeline and that aims at adapting Tuna-dependant Pacific Island Countries and Economies to Climate Change., Developing national concept notes for other focus areas is foreseen under RP-002 (currently being implemented) and RP-NAP (submitted for approval to GCF in February 2024). However, there are challenges in human resources and technical capacity for developing concept notes in line with GCF requirements, as well as the challenge of convening all relevant stakeholders (RNA Workshop, 9 Nov 2023). Additionally, identifying the right Access Entity (AE) (as there is no national entity that is already accredited to the GCF) poses challenges as timelines of national planning and of planning by the regional / international AEs are sometimes not aligning (RNA Workshop, 9 Nov 2023). Other challenges for developing concept notes are the lack of (accessing) data for baseline analyses and the lack of seed funding to identify suitable ideas for bankable climate projects and develop concepts / concept notes (RNA Workshop, 9 Nov 2023). |
| Pilot projects | Pilot projects are identified and assessed for their potential to scale-up project interventions and to distil lessons learned from investment and implementation experience and apply those to new projects. | <ul style="list-style-type: none"> Challenge of limited human resources and capacity as well as the lack of seed funding to identify suitable ideas for bankable climate projects and develop concepts / concept notes (RNA Workshop, 9 Nov 2023). |

Addressing Readiness needs

This section outlines approaches how Niue can use Readiness funding to address the gaps and needs identified above, while also considering ongoing measures covered in the current Readiness Program Strengthening of the Niue NDA and Niue's Access to Climate Finance (RP-002) and the Readiness Proposal Developing Niue's National Adaptation Plan for Medium to Long-Term Adaptation (RP-NAP, 2023) to avoid duplication and capture synergies. Suggested approaches are aligned with the updated objectives of the revised strategy for the Readiness and Support Program 2024-2027 (see Table 2) to facilitate the development of future Readiness proposal(s) for Niue's NDA, the PMCU

Table 8. Approach for using Readiness funding to address Niue's gaps and needs in its pipeline development.

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---|---|--|---|
| <p>PD1 Enhance climate finance transparency of the public budget.</p> | <p>As there are currently other priorities in Niue, budget prioritization has not been explored in depth yet.</p> | <ul style="list-style-type: none"> Enhance transparency of (domestic) climate finance through climate finance tracking exercises, which identify public expenditures for climate change and can help demonstrating the ability to provide co-finance when approaching donors. In the short-term, conducting a mapping of public climate finance flows can help enhancing transparency and making public climate expenditures visible. In the long-term, establishing a budget tagging system that tags relevant climate expenditures once these are approved could be useful to continuously engage in climate finance tracking and ensure sustainability of transparency measures | <p>Objective 2. Paradigm-shifting GCF pipeline development and implementation for adaptation and mitigation.</p> <p>Outcome 2.3 NDAs and have enhanced processes and systems to effectively oversee the financial management and monitoring and reporting of climate programmes and projects.</p> |
| <p>PD2 Establish de-risking tools and methods and enable easy access to climate finance.</p> | <p>As there are currently other priorities in Niue, this has not been explored in depth yet.</p> | <p>Establishing re-risking tools is not a priority for Niue at the moment, as other capacities need to be built first (including of the Niue Development Bank, see chapter on institutions and governance, direct access entities). To improve the enabling environment for (private) climate finance, the following options could be useful:</p> <ul style="list-style-type: none"> Conducting a training that provides a general overview and explains the basics of de-risking tools to relevant stakeholders, e.g., public institutions but also financial and private sector. Further develop the ideas of a Climate-smart tourism risk sharing facility and a Climate-smart agriculture risk sharing facility to facilitate the implementation of local climate change resilience projects by the private sector, as laid out in the Private Sector Options Paper. This could include assessments and scoping studies to determine the most suitable institutional design and regulatory set-up of these facilities, determine financial resource mobilisation, etc. | <p>Objective 1. Capacity-building for climate finance coordination and setting up the enabling environment for integrated climate investment.</p> <p>Outcome 1.2 Developing countries design and implement instruments, including climate investment plans, to create enabling environments for integrated climate investments.</p> |

¹²Office of the Secretary for Government, Government of Niue, 2021. Strengthening of the Niue NDA and Niue's Access to Climate Finance. <https://www.greenclimate.fund/sites/default/files/document/niue-sprep-niu-rs-002.pdf>

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---------------------------------|---|--|---|
| <p>PD3 Concept Notes</p> | <p>RP-002 has received funding for the development of one sectoral concept note on one of the two priorities: 1) Climate proofing key infrastructure or 2) Addressing water security issues within Niue. RP-002 will also engage with the private sector for the development of a private sector-driven project idea, building on the ideas identified in the Private Sector Options Paper: 1) Climate-smart tourism risk-sharing facility, 2) Climate-smart agriculture risk-sharing facility. Other national concepts include cross-sectoral ideas such as tailored climate information services, climate-proofed wharf infrastructure services. RP-NAP also plans to use Readiness funding for developing two concept notes.</p> | <p>Considering that there are several concept note development processes planned already, the suggestion is to engage in capacity strengthening and scoping / assessment studies rather than developing additional concept notes. Activities could include:</p> <ul style="list-style-type: none"> Capacity strengthening of key stakeholders to drive the climate finance accessing process with the GCF (and other donors). This could include strengthening national coordination and steering of concept note development and further mainstreaming in ministries and departments (see also IG1 for enhancing national coordination or IDK5 for monitoring and evaluation). Assessment and capacity building on how to develop concept notes as “blueprints” that can then also be used for tailored submission to other funds (AF, GEF) could also be useful. Further develop the ideas of a Climate-smart tourism risk sharing facility and a Climate-smart agriculture risk sharing facility to facilitate the implementation of local climate change resilience projects by the private sector, as laid out in the Private Sector Options Paper. This could include assessments and scoping studies to determine the most suitable institutional design and regulatory set-up of these facilities, determine financial resource mobilisation, etc (see also PD2). Advancing the concept of relocation of utilities and communities from coastal lines to terrace / plateau. Activities could include additional scoping and feasibility studies to inform concept note development. | <p>Objective 2. Paradigm shifting GCF pipeline development and implementation for adaptation and mitigation.</p> <p>Outcome 2.2 Developing countries have developed high-quality concept notes linked to approved GCF proposals for adaptation and mitigation that build on Readiness support and country programmes.</p> |

3.4. Information, data, and knowledge

Identified Readiness gaps and needs.

This section presents the envisioned Readiness goals concerning a country’s information, data and knowledge processes and related systems for collection, management, and analysis (Table 9). Solid information and context specific data are essential for climate change planning and delivering on climate objectives to realize both mitigation and adaptation benefits. Next context specific information, for example on key vulnerabilities or barriers and opportunities for emission reductions, knowledge sharing is important for enhancing national cooperation on climate programming and financing, as reflected in Objective 3 of the GCF RPSP (see Table 2). The Readiness Needs Assessment finds that the most urgent gaps and needs to address in Niue’s information, data and knowledge relate to coordination and sharing of important information and data, collecting data on key vulnerabilities, and building the capacity to analyse and use climate data for planning (Table 9).

Table 9. Identification of Niue’s gaps and needs in the category of information, data and knowledge, based on the Readiness goals as outlined by the GCF RPSP Guidebook (2023)¹³.

| Information, data and knowledge | Readiness goals as outlined in the GCF Guidebook | Identified gaps and needs in Niue |
|---|--|---|
| <p>Vulnerability assessments and emission reduction scenarios</p> | <p>Assessments and scenarios are used to generate an understanding of the national climate change context and to communicate robust, down-scaled findings to priority sectors.</p> | <ul style="list-style-type: none"> The most pertinent challenge with regards to climate information and data is that data is not consistently entered in a centralized system that allows for easy access and supports project planning. For some sectors, more climate change data and needs assessments of sectoral vulnerabilities and impacts to drive effective adaptation planning (RP-NAP, 2023) and tangible action (RNA Workshop, 9 Nov 2023) are needed. The need for data, research and innovation was specifically highlighted for water themes (ocean topics and underground / fresh water) and electricity (national grid) (CP Workshop, 2 Nov 2023). |
| <p>Information/ Data systems and processes</p> | <p>Systems and processes for collecting, storing, and sharing climate-relevant information at local, subnational, and national levels are established. The information is accessible for use by stakeholders in investment planning and development processes.</p> | <ul style="list-style-type: none"> The sharing of data, reports and policies is a big challenge in Niue. Although there is a data management system, data sharing is not sufficiently practiced between government ministries / departments as well as between the public and the private sector. The existing system for data management and sharing needs to be updated so that data can be accessed through a centralized knowledge management system and the coordinative capacity needs to be strengthened to facilitate cooperation on data (RNA Workshop, 9 Nov 2023). This involves acquiring software licensing as a critical element to operationalize information systems, which in turn are critical for the development of concept notes and full funding proposals that are based on sound information and data, for example for conducting climate change vulnerability assessments (Mission, February 5 – 9, 2024). Regional collaboration on data and climate science is on-going but could also be strengthened (RNA Workshop, 9 Nov 2023). Furthermore, data collection should be continuous processes that are aligned with the RP-NAP, 2023 is important (RNA Workshop, 9 Nov 2023). |

| Information, data and knowledge | Readiness goals as outlined in the GCF Guidebook | Identified gaps and needs in Niue |
|--|---|---|
| | | <ul style="list-style-type: none"> Furthermore, data collection should be continuous processes that are aligned with the RP-RP-NAP, 2023 is important (RNA Workshop, 9 Nov 2023). While the capacity and systems of the Met Service have been greatly improved, there remain gaps in both capacity and resources at the Met Service. The collection of these data is limited as there is only one automatic weather station on the island, and this station collects data on only limited variables. Staff has limited training to be able to adequately analyze collected data to produce climate information products that would be of use to end-users (RP-NAP, 2023). The ability of line ministries to use weather and climate data collected to inform policies, plans and activities is limited. Similarly, the ability of the private sector and communities to use climate information to make climate-smart decisions related to food security, water security, fire risk, tourism development is also limited (RP NAP). |
| Knowledge tools | Knowledge tools are deployed to enable key government and non-government actors to integrate climate change impacts in the planning and budgeting process. | <ul style="list-style-type: none"> The private sector as well as the public sectors lack practical information on how to climate-proof their operations. Both would strongly benefit from receiving targeted / tailored advice from climate change experts how climate change will affect their specific operations, as different sectors face different challenges, and how they can build resilience (RNA Workshop, 9 Nov 2023). The various public sector ministries and departments would benefit from expert climate advise and training on resilience building that is tailored to the specific sectoral circumstances and needs (RNA Workshop, 9 Nov 2023). |
| Monitoring, reporting, verification (MRV) and evaluation systems | These systems are established to track both domestic and international climate finance flows, as well as the impacts of funded activities. Analysis of the information at the national and subnational levels serves as iterative feedback for the investment planning process. | <ul style="list-style-type: none"> There is no dedicated climate budget in Niue, as climate priorities are mostly financed from donor budget. To enhance transparency and overview of public climate spending, conducting a climate finance mapping is needed (see also chapter on pipeline development, investment prioritization methods). |
| Monitoring for planning and decision processes | Monitoring of data and information produced at local, subnational, and national levels informs planning and decision-making processes regarding climate finance programming | <ul style="list-style-type: none"> There is no national MRV system in Niue. Consequently, developing a high-level MRV system to track the implementation of climate change policies is a priority need to address. This would support ensuring implementation and enforcement of policies, which is a directly related gap (see also chapter on policy environment). Regular monitoring of the implementation of the NAP, the NDC and the NCCP is needed to identify the need for climate finance from private and international public sources. Software licensing is needed to ensure that the monitoring and evaluation processes can be operationalized, and that Niue can plan and implement their national climate response (Mission, February 5 – 9, 2024). |

Addressing Readiness needs

This section outlines approaches how Niue can use Readiness funding to address the gaps and needs identified above, while also considering ongoing measures covered in the current Readiness Program Strengthening of the Niue NDA and Niue's Access to Climate Finance (RP-002) and the Readiness Proposal Developing Niue's National Adaptation Plan for Medium to Long-Term Adaptation (RP-NAP, 2023) to avoid duplication and capture synergies. Suggested approaches are aligned with the updated objectives of the revised strategy for the Readiness and Support Program 2024-2027 (see Table 2) to facilitate the development of future Readiness proposal(s) for Niue's NDA, the PMCU.

Table 10. Approach for using Readiness funding to address Niue's gaps and needs in its information, data and knowledge.

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---|---|--|---|
| <p>IDK1 Improved coordination mechanisms for sharing and accessing data.</p> | <p>RP-002 strengthens the coordinative capacity of the PMCU, including through establishing standard operating procedures. RP-NAP aims to develop an adaptation planning framework that outlines roles and responsibilities of key stakeholders. Additionally, a structure for sector coordination arrangements will be developed for climate change adaptation and planning.</p> | <p>Building on the existing data management system, establish a data framework for collecting, managing, and sharing relevant climate change-related data continuously across ministries and government agencies. Potential activities include:</p> <ul style="list-style-type: none"> Map the climate data landscape: Assess what climate change-related data is generated and used by ministries and government agencies, including the vulnerability assessment to be updated / created under RP-NAP, both in terms of information as well as formats. Identify cross sectoral data needs and determine suitable data formats for sharing and accessing data by various government institutions. Design protocols, including standard timeframes, for data collection, data formats and data management. Update the existing data management system, accordingly, including granting access and contribution licenses to relevant government institutions. Acquire software licensing to operationalize the centralized system for data collaboration, for example through an online platform (this can be evaluated for synergies with developing a monitoring and evaluation system, see IDK5). Develop an exit strategy that ensures that the information systems continue to support climate decision making in Niue after GCF Readiness ends. This should involve seeking co-financing as early as possible to diversify sources for funding next to GCF Readiness, and help alleviating the financial burden to the national government. Additionally, a long-term plan for maintaining the system and software required should be developed. Appoint and train staff in ministries that are responsible for collecting and contributing data to the data management system. | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.1 Enhanced capacity and coordination mechanisms</p> |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|---|---|---|---|
| <p>IDK2 Development of targeted knowledge tools for private and public sector.</p> | <p>RP-NAP aims to develop tailored climate information products targeting the private sector as well as training of private sector on climate information products. This already includes plans for also monitoring the relevance and effectiveness of climate information products and tools by the private sector.</p> | <p>Expand the envisioned climate information products and trainings targeted at the private sector (see IG4) to the public sectors.</p> | <p>Objective 3. Knowledge-sharing and learning to enhance national cooperation on climate programming and financing</p> <p>Outcome 3.1 Knowledge products to address policy gaps and integrated climate investment programming and implementation</p> |
| <p>IDK3 Improve information base for adaptation through collecting vulnerability data.</p> | <p>RP-NAP seeks to establish the evidence basis for adaptation planning. This includes identifying baseline gaps in integrated vulnerability assessments and developing / updating climate projections and medium to long-term climate change trends by key sectors, to identify future risks and inform modelling and mapping of future impacts.</p> | <p>In alignment with the data collection processes under RP-NAP, establish mechanisms for continuous data collection, specifically on climate change vulnerabilities and risks. Potential activities include:</p> <ul style="list-style-type: none"> Closely engage sectoral staff in the collection of vulnerability data under RP-NAP. Establish best practices for data collection (as well as management) and train staff to build in-house capacity. Develop a vulnerability index to allow monitoring of vulnerabilities over time through establishing regular timeframes for collecting and reporting data, in line with the suggested mechanisms for coordination on data (IDK1). <p>Additionally needed scoping studies to improve resilience and support low-carbon development are needed in the following areas (see also PE4):</p> <p>a) sustainable waste management / organic concepts, e.g. composting, as well as exploring of optimized waste management approaches for Niue, including</p> | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.1 Enhanced capacity and coordination mechanisms</p> |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|--|---|--|--|
| <p>IDK4 Conduct climate finance tracking for enhancing transparency of public climate finance flows</p> | <p>To our knowledge, there are no planned or ongoing on climate finance tracking in Niue.</p> | <p>cars and appliances b) resilience against invasive species that pose risks in the agricultural and tourism sector c) increase of non-communicable diseases due to climate change and appropriate resilience measures d) water security assessments for agriculture that support community projects using water tanks for irrigation of agricultural lands with expert analysis and e) scoping study on measures for improving efficiency of land transport).</p> <p>To improve concept note development processes, more information is needed. Specifically, this includes:</p> <ul style="list-style-type: none"> • Further develop the ideas of a Climate-smart tourism risk sharing facility and a Climate-smart agriculture risk sharing facility to facilitate the implementation of local climate change resilience projects by the private sector, as laid out in the Private Sector Options Paper. This could include assessments and scoping studies to determine the most suitable institutional design and regulatory set-up of these facilities, determine financial resource mobilisation, etc (see also PD2 and PD3). • Advancing the concept of relocation of utilities and communities from coastal lines to terrace / plateau. Activities could include additional scoping and feasibility studies to inform concept note development (see also PD3). | |
| | | <p>To enhance transparency and insights about public climate expenditures in the absence of a dedicated climate budget in Niue, climate finance tracking can be useful to fulfill MRV purposes (and support accessing climate finance from donors, see also chapter on pipeline development pipeline development, investment prioritization methods, PD1).</p> <ul style="list-style-type: none"> • In the short-term, conducting a mapping of public climate finance flows can help enhancing transparency and making public climate expenditures visible. • In the long-term, establishing a budget tagging system that tags relevant climate expenditures once these are approved could be useful to continuously engage in climate finance tracking and ensure sustainability of transparency measures. | <p>Objective 3. Knowledge-sharing and learning to enhance national cooperation on climate programming and financing</p> <p>Outcome 3.1 Knowledge products to address policy gaps and integrated climate investment programming and implementation.</p> |

| Identified Readiness need | Synergies with past and ongoing actions | Approach for using Readiness funding | Aligning GCF Readiness objectives and outcomes |
|--|---|--|---|
| <p>IDK5 Establish monitoring processes of the implementation of important climate strategies, including the NAP, NDC, NCCP, and the next multi-year GCF Readiness Program</p> | <p>RP-NAP foresees to develop a monitoring, evaluation and learning (MEL) framework for the NAP. To our knowledge, besides this, there are no activities for establishing national monitoring systems of important climate change policies.</p> | <p>Establish regular monitoring of the implementation of important climate change policies e.g. the NAP, the NDC and the NCCP, to identify the need for climate finance from private and international public sources. Potential activities include:</p> <ul style="list-style-type: none"> • Establish standardized M&E procedures, including templates, timeframes, and reporting systems. Align the timeframe (for example, every five years) for M&E of climate strategies to evaluate overall progress in climate objectives and determine needs for climate finance from private and international public sources to achieve climate objectives. • Acquire software licensing to operationalize monitoring and evaluation system, for example through an online platform (this can be evaluated for synergies with developing the centralized system for data collaboration, see IDK1). Acquire software licensing to operationalize the centralized system for data collaboration, for example through an online platform (this can be evaluated for synergies with developing a monitoring and evaluation system, see IDK5). Develop an exit strategy that ensures that the information systems continue to support climate decision making in Niue after GCF Readiness ends. This should involve seeking co-financing as early as possible to diversify sources for funding next to GCF Readiness, and help alleviating the financial burden to the national government. Additionally, a long-term plan for maintaining the system and software required should be developed. • Assign institutional responsibilities for the M&E of important climate strategies (regulatory board, the POST or the PMCU) and provide training to staff. <p>Re-evaluate and monitor Readiness needs to ensure effective use of GCF Readiness resources. Potential activities include:</p> <ul style="list-style-type: none"> • Conduct a review and update this present Readiness Needs Assessment, which serves as the basis for future Readiness and climate finance needs planning, after the first year of implementing the multi-year GCF Readiness Program. This will be helpful for identifying which of the needs have been sufficiently addressed by the time the next GCF Readiness Program starts, which is not expected to be before mid-2025 due to approval processes. | <p>Objective 1. Capacity-building for climate finance coordination</p> <p>Outcome 1.1 Enhanced capacity and coordination mechanisms</p> |

4. Long-term Readiness Action Plan

The following long-term Readiness Action Plan presents a strategic outlook for how Niue can address the needs identified in the Readiness Needs Assessment. The plan links the needs identified per Readiness category with the objectives and outcomes that are outlined in the Readiness Results Management Framework as goals of the GCF RPSP (see also Table 2). Consequently, the Readiness Action Plan serves as the basis for the development of multi-year Readiness proposals, as the plan's structure corresponds with the objectives for Readiness proposals specified by the GCF. Based on the consultations and the Readiness Needs Assessment, the Readiness Action Plan furthermore proposes activities for addressing the identified needs and closing gaps in Niue's Readiness.

4.1. Vision for future Readiness funding

Based on the above, a vision to guide the future use of GCF Readiness funding in Niue can be summarized as follows:

"Niue can use multi-year GCF Readiness funding to build a more robust and coordinated approach to climate resilience by addressing the gaps and needs identified in this Readiness Needs Assessment. Niue can significantly strengthen its capacity for accessing climate finance and implementing responses to climate change in the following three issue areas. First, enhancing national coordination systems will improve the environment and enable the design and implementation of targeted projects.

This can start with developing a centralized system and institutional processes for cooperation on climate information and vulnerability data and creating a related system for monitoring and evaluating the implementation of climate change policies and strategies. Additionally, this can include setting up a system for the MRV of climate finance to support accessing international resources. Second, continuing the process of building capacities of the nominated DAE candidates will support Niue in its journey to direct access and build capacity of national organisations for planning and engagement in climate finance delivery.

Third, providing climate information services and trainings for the private sector and advancing the concepts of private sector risk sharing facilities will contribute to a holistic response to climate change by all relevant stakeholders. By addressing these three focus areas, Niue accelerates its climate action at all levels, from governmental decision-making to the private sector, supporting its ambition of mainstreaming climate action and thereby enhancing its resilience."

4.2. How to use the Readiness Action Plan?

The Readiness Action Plan serves as a basis for developing future GCF Readiness proposals, including multi-year proposals. The aim is to assist the NDA in strategic planning for enhancing Niue's climate finance readiness and strengthen the national capacities for dealing with climate change. Although the Readiness Action Plan speaks to the language, logic and requirements of the GCF Readiness Program, it can also serve to inform strategies for accessing funding from other donors. While the Readiness Action Plan is not prescriptive, it presents identified needs and suggested actions to address needs as comprehensively as possible. As the Readiness Needs Assessment presents an in-depth assessment, it should be noted that addressing all needs within the next GCF Readiness Program is neither mandatory nor feasible. Consequently, Niue needs to prioritize issue areas and respective measures, based on their expertise of national context and ongoing processes.

For developing future GCF Readiness proposals, the NDA can use this Readiness Action Plan in the following ways:

- **Identifying and selecting needs to address through GCF Readiness**

The NDA is advised to consult the Readiness Action Plan to identify, prioritize and select the most pressing needs that can benefit from GCF Readiness. As the Readiness Action Plans links these to the objectives and outcomes of the Readiness Results Management Framework (see Table 2), the plan will support the NDA in determining the thematic area of the Readiness proposal. This should be done while also consulting past Readiness activities to ensure a strategic use of Readiness resources.

- **Creating/Filling GCF Readiness proposals**

The Readiness Action Plan and associated Readiness Needs Assessment facilitate the creation of GCF Readiness proposals by identifying relevant elements for the problem statement and most importantly, presenting identified needs and proposed action according to the GCF RPSP objectives and outcomes .

4.3. Long-term Readiness Action Plan

Table 11. Long-term Readiness Needs Action Plan for Niue.

| Readiness Objective | Readiness Outcome | Readiness Need | Envisioned Output | Proposed Activities | Suggested institution responsible | Year | | |
|---|---|---|---|---|-----------------------------------|------|------|------|
| | | | | | | 2025 | 2026 | 2027 |
| Objective 1. Capacity building for climate finance coordination | Outcome 1.1 Enhanced capacity and coordination mechanisms | IG1 Improve coordination mechanisms on climate change planning and implementation, both between government agencies and between the public and the private sector. | Output 1.1.2. NDA mechanisms established or strengthened for interinstitutional coordination, including engagement with the GCF and other climate funds | <p>Improve recognition and acknowledgement of the PMCU's mandate of coordination national climate change matters among public and private sector stakeholders. Potential activities:</p> <ul style="list-style-type: none"> • Enhance the PMCU's visibility to public and private sector stakeholders, for example by organizing a (recurring) roundtable with important sector focal points to institutionalize an exchange mechanism for climate change planning and implementation, by issuing a regular newsletter on recent developments, etc. <p>OR establish the envisioned Climate Change Unit and transfer the coordination mandate. Potential activities:</p> <ul style="list-style-type: none"> • Assess existing coordination structures and based on that develop optimal procedures for this Climate Change Unit. • Vest the Climate Change Unit with a clear mandate that has high-level political support. • Staff the Climate Change Unit and provide capacity building to ensure that coordination functions can be performed as planned. | PMCU | X | X | |

¹⁵<https://www.greenclimate.fund/sites/default/files/document/Readinessguidebook-version1.pdf> p. 8

¹⁶ The Readiness Proposal should be developed according to the most recent GCF templates, which are available here (but could potentially slightly change due to the new RPSP Strategy): <https://www.greenclimate.fund/document/readiness-and-preparatory-support-proposal-template>

¹⁷ While the GCF has updated its RPSP that specifies revised objectives and outcomes, updated guidance specifying the outputs has not yet been released. New guidance is expected to be operationalized only June-July. Therefore, the long-term action plan makes suggestions for outputs that are based on the currently existing guidance on the outputs, as detailed in the logframe template (<https://www.greenclimate.fund/document/readiness-and-preparatory-support-proposal-template>). When developing the new readiness proposal, however, one should check if by that time the GCF has released guidance on the logframe that specifies outputs according to the new RPSP.

| Readiness Objective | Readiness Outcome | Readiness Need | Envisioned Output | Proposed Activities | Suggested institution responsible | Year | | |
|---|---|--|--|--|-----------------------------------|------|------|------|
| | | | | | | 2025 | 2026 | 2027 |
| Objective 1. Capacity building for climate finance coordination | Outcome 1.1 Enhanced capacity and coordination mechanisms | IG2 Enhance the capacity of PMCU (both functioning as NDA and executing entity) to close remaining gaps for handling GCF processes and ensuring continued coordinative capacity. | Output 1.1.1. NDA or FP staff trained in areas relevant to the GCF objectives of the GCF and oversight of GCF activities | Identify outstanding capacity needs after the full implementation of institutional strengthening and NDA capacity building measures under RP-002. Potential activities include: <ul style="list-style-type: none"> Assessment of capacity needs in the NDA for handling GCF processes and ensuring continued coordinative capacity. Design and implement trainings and manuals for capacity building. Use GCF funding to hire (and train) NDA staff to address the human capacity constraint. | PMCU | X | X | |
| Objective 1. Capacity building for climate finance coordination | Outcome 1.1 Engage relevant stakeholders to develop, and implement NDCs, NAPs and LTS | IG4 Enhance capacity of private sector to engage in adaptation activities and accessing climate finance. | Output 1.3.3. Strengthened Information sharing. | Enhance knowledge on climate change adaptation strategies in the private sector and enable action through providing targeted expert advice and trainings. Potential activities: <ul style="list-style-type: none"> In cooperation with the Meteorological Services, identify key climate change risks and vulnerabilities for the different sectors and businesses therein and develop adaptation and resilience building strategies. Already identified capacity building needs include: | PMCU & MET services | X | X | |

¹⁸⁷The new GCF RPSF under the revised strategy 2023 – 2027 includes a funding modality for direct access by LDCs/SIDS to address specific human and institutional capacity challenges in LDCs/SIDS, to enable these countries to continuously engage with GCF and fulfil their climate objectives. Through this modality, LDCs/SIDS can access up to 0.32 million over a four-year period to support NDAs or focal points. Refer to GCF/B37/17: Readiness and Preparatory Support Programme: revised strategy 2024 – 2027, 17 October 2023, Tbilisi, Georgia.

<https://www.greenclimate.fund/sites/default/files/document/16-Readiness-and-preparatory-support-programme-revised-strategy-2024-2027-gcf-b37-17.pdf>

| Readiness Objective | Readiness Outcome | Readiness Need | Envisioned Output | Proposed Activities | Suggested institution responsible | Year | | |
|---------------------|---|----------------|-------------------|--|--|------|------|------|
| | | | | | | 2025 | 2026 | 2027 |
| | | | | <ul style="list-style-type: none"> Develop and conduct training for farmers to build capacity for vulnerability assessments for food security, and resilient agricultural systems. Conduct awareness and capacity building programmes for behavioural changes of waste generators as well as waste management personnel. Develop and deliver Training of Trainers (TOT) programme on waste management and pollution control. Provide tailored and practical training on how they can climate-proof their businesses, grouped per industry. This should include coaching and mentoring to assist businesses to (i) assess climate risks, (ii) formulate climate-resilient strategies, and (iii) prepare loan applications. | | | | |
| | Output 1.3.1. Relevant stakeholders engaged and trained to support planning, programming and implementation of GCF funded activities. AND/OR Output 2.4.2. Strategies, road-maps, | | | <ul style="list-style-type: none"> Improve Niue's regulatory and governance framework to create an enabling regulatory environment for the private sector to engage in climate finance activities. Potential activities: <ul style="list-style-type: none"> Establish coordination mechanisms between the public and the private sector on climate finance to provide clarity on the institutional responsibility for coordinating climate change matters. For example, set up a focal point within the PMCU for engaging with the private sector, set up a website for visibility and providing initial information, etc. Develop and implement formalized framework for Public-Private-Partnerships (PPPs) and provide trainings to public and private sector staff. Develop an action plan / strategy to implement the recommendations that will | PMCU in cooperation with MoFP and NCOC | X | X | |

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| | | | studies and policy incentives completed to foster private financing for Country Programme implementation and/or low-emissions climate resilient development. | | <ul style="list-style-type: none"> result from the assessment of Niue's regulatory framework. Implement complementary activities to support the private sector strengthening as planned in the RP-NAP and realize recommendations from the assessment of the regulatory framework. | | | | |
| | | | | Output 1.3.3. Strengthened information sharing. | Finance the implementation of action plan the Private Sector Climate Finance Strategy and Action Plan, which was to be developed for realizing based on the recommendations made in the Private Sector Options Paper, to support Niue's private sector in accessing climate finance. | PMCU in cooperation with MoFP and NCOC | X | X | |
| Objective 1. Capacity building for climate finance coordination | Outcome 1.1 Engage relevant stake-holders to develop, advance, and implement NDCs, NAPs and LTS | IG5 Enhance participation of communities in planning and implementation of climate change projects. | | Output 1.3.3. Strengthened information sharing. | <ul style="list-style-type: none"> Build / Enhance knowledge, awareness and understanding of climate change and its impacts as well as the national response and existing resilience mechanisms among communities. Potential activities: <ul style="list-style-type: none"> Design and implement a national communication campaign on climate change, its impacts on Niue and existing response mechanisms, in line with the National Climate Change and Communications Strategy. Targeted information provision / trainings / capacity building for selected settlements and communities on climate change emergency responses. Increase participation of communities in climate change projects. Potential activities: <ul style="list-style-type: none"> To address the cross-cutting issue of limited awareness of especially the youth on climate change and related issues, awareness raising campaigns and stronger integration into education are needed Increase community engagement through community-based projects with responsibility for implementation on the ground. | PMCU and public communications department (if existing) | X | X | |

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| Objective 1. Capacity building for climate finance coordination | Outcome 1.1 Enhanced capacity and coordination mechanisms | IDK1 Improved coordination mechanisms for sharing and accessing data | | Output 1.1.2. NDA mechanisms established or strengthened for interinstitutional coordination, including engagement with the GCF and other climate funds. AND/OR Output 1.3.2. Stakeholder engagement mechanisms established to support planning, programming and implementation of GCF funded activities. | <ul style="list-style-type: none"> Building on the existing data management system, establish a data framework for collecting, managing, and sharing relevant climate change-related data continuously across ministries and government agencies. Potential activities include: <ul style="list-style-type: none"> Map the climate data landscape: Assess what climate change-related data is generated and used by ministries and government agencies, including the vulnerability assessment to be updated / created under RP-NAP, both in terms of information as well as formats. Identify cross sectoral data needs and determine suitable data formats for sharing and accessing data by various government institutions. Design protocols, including standard timeframes, for data collection, data formats and data management. Update the existing data management system, accordingly, including granting access and contribution licenses to relevant government institutions. Appoint and train staff in ministries that are responsible for collecting and contributing data to the data management system. Acquire software licensing to operationalize the centralized system for data collaboration, for example through an online platform (this can be evaluated for synergies with developing a monitoring and evaluation system, see IDK5). Develop an exit strategy that ensures that the information systems continue to support climate decision making in Niue after GCF | PMCU in cooperation with line ministries and departments | X | X | |
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| | | | | Readiness ends. This should involve seeking co-financing as early as possible to diversify sources for funding next to GCF Readiness, and help alleviating the financial burden to the national government. Additionally, a long-term plan for maintaining the system and software required should be developed. | |
| Objective 1. Capacity building for climate finance coordination | Outcome 1.1 Enhanced capacity and coordination mechanisms | IDK3 Improve information base for adaptation through collecting vulnerability data. | Output 3.2.2. Studies on climate vulnerability, and identification of adaptation solutions conducted (and used) for strengthening adaptation investment. | In alignment with the data collection processes under RP-NAP, establish mechanisms for continuous data collection, specifically on climate change vulnerabilities and risks. Potential activities include: <ul style="list-style-type: none"> Closely engage sectoral staff in the collection of vulnerability data under RP-NAP. Establish best practices for data collection (as well as management) and train staff to build in-house capacity. Develop a vulnerability index to allow monitoring of vulnerabilities over time through establishing regular timeframes for collecting and reporting data, in line with the suggested mechanisms for coordination on data (IDK1). | |
| | | | Output 3.2.2. Studies on climate vulnerability, and identification of adaptation solutions conducted (and used) for strengthening adaptation investment. | <ul style="list-style-type: none"> Additionally needed scoping studies to improve resilience and support low-carbon development are needed in the following areas (link with PE4): <ul style="list-style-type: none"> a) sustainable waste management / organic concepts, e.g. composting, as well as exploring of optimized waste management approaches for Niue, including cars and appliances b) resilience against invasive species that pose risks in the agricultural and tourism sector c) increase of non-communicable diseases due to climate change and appropriate resilience measures d) water security assessments for agriculture that support community projects using water tanks for irrigation of agricultural lands with expert analysis and e) scoping study on measures for improving efficiency of land transport). | PMCU and POST in cooperation with line ministries |
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| Objective 1. Capacity building for climate finance coordination | Outcome 1.1 Enhanced capacity and coordination mechanisms | IDK5 Establish monitoring processes of the implementation of important climate strategies, including the NAP, NDC, NCCP. | Output 4.3.4. Prefeasibility studies conducted targeting SIDS, LDCs and African states. | <p>To improve concept note development processes, more information is needed. Specifically, this includes:</p> <ul style="list-style-type: none"> Further develop the ideas of a Climate-smart tourism risk sharing facility and a Climate-smart agriculture risk sharing facility to facilitate the implementation of local climate change resilience projects by the private sector, as laid out in the Private Sector Options Paper. This could include assessments and scoping studies to determine the most suitable institutional design and regulatory set-up of these facilities, determine financial resource mobilisation, etc (see also PD2 and PD3). Advancing the concept of relocation of utilities and communities from coastal lines to terrace / plateau. Activities could include additional scoping and feasibility studies to inform concept note development (see also PD3). | PMCU, MoFP, NCOOC, NDB | |
| | | | | Establish regular monitoring of the implementation of important climate change policies e.g. the NAP, the NDC and the NCCP, to identify the need for climate finance from private and international public sources. Potential activities include: <ul style="list-style-type: none"> Establish standardized M&E procedures, including templates, timeframes, and reporting systems. Align the timeframe (for example, every five years) for M&E of climate strategies to evaluate overall progress in climate objectives and Assign institutional responsibilities for the M&E of important climate strategies (regulatory board, the POST or the PMCU) and provide training to staff. Acquire software licensing to operationalize monitoring and evaluation system, for example through an online platform (this can be evaluated for synergies with developing the centralized system for data collaboration, see IDK1). | PMCU & POST for steering the process, implementation together with line ministries | |
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| | | <ul style="list-style-type: none"> • Mapping of donors, both partners that provide (financial) support to Niue (linkage with IDK4) and potential future partners, to 'match' sectors and focus topics with suitable donors. • Translate the identified policy priorities that have not been implemented into bankable projects. This should also closely build on the pipeline as stated in the SFCP (2024). Readiness funding could be used to develop project concepts that would include information on a) the strategic goal and relevance of the respective project, b) an indicative logframe detailing envisioned outcomes, outputs and activities, c) a rough estimation on costs and financial support needs, d) a stakeholder engagement plan including responsibilities for implementation | | | | | | | |
| | | | <p>Output 1.i.2. NDA mechanisms established or strengthened for interinstitutional coordination, including engagement with the GCF and other climate funds</p> | <p>Enhance the human capacity for overseeing and enforcing the policy implementation of important climate change related policies:</p> <ul style="list-style-type: none"> • Identify and use support modalities for financing dedicated staff of the PMCU/NDA, such as for example the direct access modality for SIDS and LDCs under the RPSP 2024-2027. Alternatively to increasing NDA staff, the idea of creating a Climate Change Unit could be further developed, including a clear mandate and responsibilities as well as funding for respective staff. • Mapping of donors, both partners that provide (financial) support to Niue (linkage with IDK4) and potential future partners, to 'match' sectors and focus topics with suitable donors. • Translate the identified policy priorities that have not been implemented into bankable projects. This should also closely build on the pipeline as stated in the SFCP (2024). Readiness funding could be used to develop project concepts that would include information on a) the strategic goal and relevance of the respective project, b) an indicative logframe detailing envisioned outcomes, outputs and activities, c) a rough estimation on costs and financial support needs, d) a stakeholder engagement plan including responsibilities for implementation | PMCU | X | X | X | X |

¹⁸ As per the RPSP 2024-2027, this modality can support SIDS and LDCs, specifically NDAs or focal points that face specific human and institutional capacity challenges to enable these countries to continuously engage with GCF and fulfil their climate objectives

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| Objective 1. Capacity building for climate finance coordination | Outcome 12 Strategic frameworks (including NDC/NAP/LTS), policies and instruments to create enabling environments for integrated climate investments | PE2 Review and update important strategies, including the NCCP, to align with the climate priorities outlined in the NNSP. | Output 2.2.3. NDC updated or revised and/or financing strategy or related policies developed. AND/OR Output 2.2.6. Sectoral strategic frameworks or associated plans developed. | <p>Mainstream Niue's climate change objectives and priorities across development pillars by updating key policies and strategies. Potential activities include:</p> <ul style="list-style-type: none"> • Assess the scope of (sectoral) policies and plans besides the Niue Food and Nutrition Security Policy 2015-2019 that require updating to align with Niue's climate change objectives as outlined in the NNSP and plan for updating of policies to align with other planning processes, e.g. the NAP development process. • Update key sectoral policies (including the Niue Food and Nutrition Security Policy 2015-2019) and the NCCP, including developing an implementation framework and financing strategy. Niue's Climate Change Mainstreaming Strategy (2022) lays out actions for mainstreaming, which include updating the NCCP, specifically with regards to develop an integrated approach to data management (see also IDKI), enhancing capacities in policy and planning units on climate change and disaster risk reduction mainstreaming and climate finance proposal writing skills, and establishing timelines for reviewing and updating sectoral policies. Use Readiness funding to implement the actions laid out in these strategies. • Develop national guidelines to incorporate climate risks and opportunities in sectoral policy making and development projects, based on the objectives laid out in the NNSP. • Develop sectoral policies and strategies that are important for achieving Niue's climate objectives. This should include (among other potential focus areas) developing a Waste to Energy strategy for Solid Waste (MSW) as well as a legal and policy framework for the sustainable management of solid waste in Niue and establishing regulatory arrangements for accessing and using groundwater resources. | PMCU and/or POST | | | |
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| Objective 1. Capacity building for climate finance coordination | Outcome 1.2 Strategic frameworks (including NDC/NAP/LTS), policies and instruments to create enabling environments for integrated climate investments | PE3 Implement adaptation strategies to increase Niue's resilience to climate change. | Output 3.2.2. Studies on climate vulnerability, and identification of adaptation solutions conducted (and used) for strengthening adaptation investment. | Support and complement the adaptation activities outlined in the NAP Readiness Proposal, which include reviewing the existing national policy framework and addressing gaps in capacity for adaptation planning, strengthening policy coordination and building capacity of existing institutions and stakeholders across key sectors and industry. For example, additionally needed scoping studies to improve resilience and support low-carbon development are needed in the following areas (see also IDK3): a) sustainable waste management / organic concepts, e.g. composting, as well as exploring of optimized waste management approaches for Niue, including cars and appliances b) resilience against invasive species that pose risks in the agricultural and tourism sector c) increase of non-communicable diseases due to climate change and appropriate resilience measures d) water security assessments for agriculture that support community projects using water tanks for irrigation of agricultural lands with expert analysis and e) scoping study on measures for improving efficiency of land transport. Concrete adaptation strategies that are needed and identified as priority adaptation measures in the SFCP include: <ul style="list-style-type: none"> • Increase water security of households through expanding and upgrading existing rainwater harvesting methods (e.g, connect rainwater tanks to residential roofs). • Development of targets for deploying more fuel-efficient vehicles. • Niue commits to develop and implement a waste minimization plan (including 3Rs, - composting, characterisation, source separation) by 2030. | PMCU and POST | X | X | X |
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| Objective 1. Capacity building for climate finance coordination | Outcome 1.2 Developing countries design and implement instruments, including climate investment plans, to create enabling environments for integrated climate investments | PD2 Establish de-risking tools and methods and enable easy access to climate finance. | Output 4.3.4. Preliminary studies conducted targeting SIDS, LDCs and African states. | Establishing re-risking tools is not a priority for Niue at the moment, as other capacities need to be built first (including of the Niue National Bank, see chapter on institutions and governance, direct access entities). To improve the enabling environment for (private) climate finance, the following options could be useful: <ul style="list-style-type: none"> • Conducting a training that provides a general overview and explains the basics of de-risking tools to relevant stakeholders, e.g, public institutions but also financial and private sector. • Further develop the ideas of a Climate-smart tourism risk sharing facility and a Climate-smart agriculture risk sharing facility to facilitate the implementation of local climate change resilience projects by the private sector, as laid out in the Private Sector Options Paper. This could include assessments and scoping studies to determine the most suitable institutional design and regulatory set-up of these facilities, determine financial resource mobilisation, etc. | NDB and NCOC, as well as MoFP | X | X | X |
| Objective 1 Capacity building for climate finance coordination | Outcome 1.3 Direct access applicants and accredited entities (DAEs) have met and maintained the standards of the GCF and strengthened their programming capacities, as evidenced by the development of GCF-funded activities. | IG3 Address remaining gaps to advance the DAE accreditation process of the Treasury's Department of Finance and Planning and strengthen the Niue Development Bank for engagement with the GCF. | Output 1.2.2. Direct Access Applicants supported with training, capacity development, or improved systems to close gaps. | Address outstanding gaps in the Treasury's Department of Finance and Planning processes and policies, as identified in the gap assessment, to complete DAE accreditation. Potential activities include: <ul style="list-style-type: none"> • Complete the gap analysis: the gap assessment focused on the GCF standards and requirements for sections 4 – 7 (fiduciary management, environmental and social safeguards (ESS) and gender). Gaps in the sections 1 – 3 (background information on the entity) still need to be assessed. • Address outstanding gaps in sections 4 – 7 that are not covered under RP-002, which focused on addressing the ESS (section 6). This relates specifically to the basic fiduciary standards (section 4), specialized fiduciary standards (section 5) and gender (section 7). | PMCU for coordination, Treasury's Department of Finance and Planning and Niue Development Bank | X | X | X |

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| | | | | | Continue to advance the capacity of the Niue Development Bank according to the 'no regrets approach' laid out in the Institutional Capacity Assessment (2020) to consider the absorptive capacity of the Bank. <ul style="list-style-type: none"> First, take actions to finalize Phase 1 – Formalise why and how NDB would like to engage with GCF + Develop Project Concepts: After completing the medium term strategy under RP-002, establish the position of a Projects and Business Development Officer to strengthen the institutional capacity in managing a) the development and institutionalisation of policies, procedures, and tools in support of the project preparation and appraisal phase of (NDB) project management and b) the development of new climate finance projects for the NDB, building on project ideas that have been identified, e.g. the SFCP. Formulate procedures and tools to guide project preparation and appraisal. Develop a (climate change-related) project concept note that aligns with the project pipeline set out in the SFCP, which has identified two sector-specific project ideas that are aimed at promoting climate-resilient private sector development and which align with the NDB's mandate and track record of experience: a) concessional business loans to support businesses to manage their climate risks) and b) mentoring and coaching to help businesses develop loan applications. Submit the concept note to relevant donors. Establish a Board sub-committee to oversee the work of the internal audit function, which will be a key mechanism to drive the improvements of systems and procedures that are necessary for becoming an accredited DAE. Second, take actions in Phase 2 – Full project proposal + basic fiduciary standards, once Phase 1 is successfully completed and there is reason for continuing with the accreditation process. | | | | | |
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| Objective 2. Paradigm shifting GCF pipeline development and implementation for adaptation and mitigation | Outcome 2.2 Developing countries have developed high-quality concept notes linked to approved GCF proposals for adaptation and mitigation that build on Readiness support and country programmes | PD3 Concept Notes | Output 1.1.1: NDA or FP staff trained in areas relevant to the GCF objectives of the GCF and oversight of GCF activities. AND/OR Output 4.3.4. Prefeasibility studies conducted targeting SIDS, LDCs and African states | Considering that there are several concept note development processes planned already, the suggestion is to engage in capacity strengthening and scoping / assessment studies rather than developing additional concept notes. Ideas Activities could include: <ul style="list-style-type: none"> Capacity strengthening of key stakeholders to drive the climate finance accessing process with the GCF (and other donors). This could include strengthening national coordination and for (overseeing / steering of concept note development) the development of concept notes and further mainstreaming in ministries and departments (see also IGI for enhancing national coordination or IDK5 for monitoring and evaluation). Assessment and capacity building on how to develop concept notes as “blueprints” that can then also be used for tailored submission to other funds (AF, GEF) could also be useful. Further develop the ideas of a Climate-smart tourism risk sharing facility and a Climate-smart agriculture risk sharing facility to facilitate the implementation of local climate change resilience projects by the private sector, as laid out in the Private Sector Options Paper. This could include assessments and scoping studies to determine the most suitable institutional design and regulatory set-up of these facilities, determine financial resource mobilisation, etc (see also PD2). Advancing the concept of relocation of utilities and communities from coastal lines to terrace / plateau. Activities could include additional scoping and feasibility studies to inform concept note development. | PMCU | | | | X | |
| Objective 2. Paradigm shifting GCF pipeline development and implementation for adaptation and mitigation | Outcome 2.3 NDAs and have enhanced processes and systems to effectively oversee the financial management and monitoring and reporting of climate programmes and projects | PDI Enhance climate finance transparency of the public budget. | Output 2.2.4. MRV systems developed and operational for tracking internal and external climate finance flows. | Enhance transparency of (domestic) climate finance through climate finance tracking exercises, which identify public expenditures for climate change and can help demonstrating the ability to provide co-finance when approaching donors. <ul style="list-style-type: none"> In the short-term, conducting a mapping of public climate finance flows can help enhancing transparency and making public climate expenditures visible. In the long-term, establishing a budget tagging system that tags relevant climate expenditures once these are approved could be useful to continuously engage in climate finance tracking and ensure sustainability of transparency measures. | MoFP, potentially also POST | | | | X | X |

