Country Assistance Policy for Niue

1. Relevance of Assistance

The development of Niue faces a number of challenges, including a limited domestic market (size), along with being distant from international markets (remoteness). Although the per capita GNP of Niue is relatively high, there is still a need for improvement in living standards, due to serious problems in terms of domestic economic development and infrastructure development. In addition, limited domestic higher education and employment opportunities have led to an exodus of human resources to countries such as New Zealand and Australia. It is essential for the country's social and economic development to overcome these vulnerabilities.

In the "Niue National Strategic Plan (NNSP) 2016-2026" the Government of Niue sets priority areas such as finance and economic development, good governance, sustainable use and management of key infrastructure, natural resources and environment, access to a wide range of quality social services, etc. As one of the instruments to achieve the NNSP, there is an expectation that development assistance from foreign governments will be in line with these targeted areas.

Japan and Niue established diplomatic relations in 2015, and people-to-people exchanges have been flourishing through Japan's exchange programs for youth and the Japanese Government Scholarship. Niue has established good bilateral relations with Japan, including cooperation through the Pacific Islands Leaders Meeting (PALM) and other events, as well as support and cooperation for Japan's position in various international arenas.

Japan remains committed to providing continued assistance and support to strengthen the bilateral relationship between Japan and Niue and to encourage self-reliant and sustainable development of Niue.

2. Basic Policy of Assistance (Long-term Goal): <u>To strengthen the foundation for self-</u> reliant and sustainable development and improvements in living standards.

Based on the NNSP of Niue and Japan's overall policy toward Pacific island countries, including PALM, which has been held triennially since 1997, Japan will provide assistance to Pacific island countries in the areas of maritime security, marine resource management and environmental conservation, disaster prevention, climate change and the environment, waste management, and capacity building and strengthening of social infrastructure.

- 3. Priority Areas (Medium-term goals)
 - (1) Strengthen the foundation for self-reliant and sustainable development In order to strengthen the foundations that underpin sustainable economic growth, emphasis will be placed on infrastructure development that contributes to the development of industries such as tourism, agriculture, and fisheries, as well as support that focuses on strengthening connectivity and transportation, human

resource development, and the shift to renewable energy. In addition, cooperation will contribute to the improvement of social services in the fields of medicine and health, including preventive medicine, and vocational training and education.

(2) Climate change, environment, and disaster prevention

Cooperation will contribute to reducing risks from natural disasters and climate change, to environmental management by strengthening waste and sewage treatment capacity and improving public health, and to strengthening climate change countermeasures such as disaster prevention and renewable energy.

(3) Maritime security and marine resource management, development of marine transportation network Noting the SDG14 "Conserve and sustainably use the oceans, sea and marine resources for sustainable development", in order to protect a free, open and sustainable maritime order, Japan will provide assistance to Niue, which is an

island surrounded by ocean, in the areas of capacity building in the field of maritime security, including maritime law enforcement, marine resource management and marine environmental protection (including measures against marine plastic litter), and maritime transportation network development.

4. Points to be considered

Japan continues to communicate and exchange views with major partner countries such as New Zealand, Australia along with other development partners in order to minimize duplication in development assistance and to promote effective and efficient synergistic assistance.

Annex: Rolling Plan