

**NIUE**

**EUROPEAN COMMISSION**

**JOINT ANNUAL REPORT 2008**

## **Executive summary**

Niue is an isolated single coral atoll with steep limestone cliffs to the sea and a central greenland plateau. It is located in the South Pacific, at 2,400 kilometres northeast of New Zealand, on the eastern side of the International Date Line. The GDP per capita in 2003 was € 5,650 with development aid as main contributor. Niue is a self-governing country “in free association” with New Zealand, and Niueans are New Zealand citizens.

Niue became one of the six new “Pacific ACP countries” by signing the Cotonou Agreement in 2000. With a population of roughly 1700 (Census 2006), it is the least populated ACP country. Under a signed Financing Agreement in 2006, its 9<sup>th</sup> EDF NIP of € 2 million (A-envelope) was allocated for the five-country-encompassing renewable energy programme which began implementation in 2006.

10% of the A-envelope (200, 000 euros) was allocated for the non focal sector component to implement the Niue Village Economy Development Programme (NVED). The NVED focused on income generating projects in areas such as eco tourism, coconut oil production and the reconstruction of a heritage and traditionally built community hall.

The B envelope (€ 580,000) was used to assist the reconstruction of the hospital with the procurement of medical equipment (in cooperation with WHO) in co-financing with the New Zealand Government who funded the building project. The previous hospital was totally destroyed by Cyclone Heta, which devastated parts of Niue in 2004.

In October 2007, Niue and the European Union signed the EDF 10<sup>th</sup> CSP NIP at the Pacific Leaders Meeting held in Tonga. Under the signed CSP/NIP of € 3 million A-envelope, € 2.55 million is allocated for the focal sector of renewable energy and € 450,000 (15% of the A envelope) for the Non State Actors (NSA). The B-envelope is allocated € 300,000 with flexibility for additional financial resources if more is needed to support any adverse situation or circumstances. The application of EDF 10<sup>th</sup> financial resources for sustainable development programmes is directly linked to Niue’s National Integrated Strategic Plan 2003-2008 and its succeeding plan from 2009-2014.

## **Update on the political, economic, social and environmental situation**

### **Political Situation**

In 1974 Niue became a self-governing state “in free association” with New Zealand and is the smallest self-governing country in the world. The government has full executive and legislative powers. Legislation is enacted by the unicameral Assembly, which consists of twenty members and a speaker. In the Niue general elections held in June 2008, Mr Toke Tufukia Talagi, a former Deputy Premier of Niue, was elected the Premier of Niue. Mr Talagi was subsequently appointed as Niue's sixth Premier and appointing a four member Cabinet to assist him in the new government. General elections are usually held every three years, with the next general elections scheduled for 2011.

Niue has fourteen villages, each with its own village council established under the Village Council Ordinance 1967. The GoN has devolved much of its community responsibilities to these village councils, which act as a focal point of contact for the community and an active community development partner. Village life remains the focus for political and cultural organisation. Niue is currently a member of the Secretariat of all the CROP (Council of the Regional Organisations of the Pacific) organisations.

During 2008, no progress has been made regarding ratification of the core UN human rights conventions. Niue has not ratified the International Covenant on Civil and Political Rights, the International Covenant on Economic, social and cultural Rights, the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment and the International convention on the Elimination of All forms of Racial Discrimination.

### **Update of the Economic Situation**

Niue continues to face considerable development constraints, namely isolation, limited natural resources and exports trade opportunities, poor communications, an unpredictable climate (including drought and occasional hurricanes) and, most significantly, a shortage of skilled labour and outward migration, principally to New Zealand.

Substantial aid from New Zealand has historically supported a large public sector providing incomes and jobs for the people of Niue, while outward migration of large parts of the population has ensured a steady flow of remittance income into the country. However, remittance income has fallen and the level of aid provided by New Zealand has declined over the past decade resulting in considerable “downsizing” of the public sector.

The provision of offshore financial services has decreased in importance, notably in view of the need to implement legislation in line with Niue's commitment of 11 April 2002 towards the OECD to increase compliance with the principles of transparency and effective exchange of information for tax purposes. The offshore financial services operation was effectively closed in 2004.

The current financial crisis has not affected significantly Niue in 2008, although it is expected that Niue will bear adverse effect in the near future, in 2009 and 2010. Although Niue's small economy is to a large extent supported by New Zealand, Niue's vulnerability to the global and financial crisis may remain high and therefore may continue to face low rates of economic growth over 2009/2010 due to its narrow economic base, dependence on tourism arrival from abroad, high food import bill, increasing fuel prices and decline in remittances from Niueans working in New Zealand.

**Agriculture:** is largely subsistence based, but its development is hindered by limited fertile land, lack of surface water and occasional drought and cyclones. The principal crops are coconuts, taro, yams and cassava, with taro as the most important export crop. There is a continuing increased focus on growing organic and commercial crops. Vanilla and noni (through joint venture with Reef Group) have been grown commercially since 2004 with modest exports success to date. Honey has also been exported in small quantities since 2003 and has undergone the organic certification process. The production and cultivation methods used in agriculture production are based on internationally accepted organic methods and practice. The agriculture sector continues to provide potential for employment creation and exports earnings capabilities.

**Fisheries:** is also largely subsistence based. A fish processing plant targeting tuna species was opened in 2004 in a joint venture with Reef Group of New Zealand. The industry created 40 local jobs in 2007 but commercial success has been hindered by lack of safe harbour facility, the significant increase in international oil prices, and isolation to markets. The fish plant suspended operations in December 2007 while the industry has undergone reviews to determine the best way forward. Receipts from multilateral fishing license fees through the Forum Fishery Agency continue to provide some financial resources from fishery resources. The Fisheries Department currently place a very high priority on the conservation and safeguarding of the fishery resources, in particular the inshore fishery resources from commercial exploitation to ensure accessibility and sustainable harvest by the local communities.

**Tourism** While eco tourism continues to offer one of the best potential for long-term economic development for Niue, the industry is still highly dependent on improved air services frequency, and standards of tourism facilities and services available on the island. Whilst Niue offers pristine environment and excellent diving opportunities, it is still served by one airline (Air New Zealand) that provides one scheduled return flight per week from Auckland. The frequency of weekly air services can only increase if there is guaranteed availability of increased tourist accommodation in terms of the corresponding number of "beds" available for expected tourism arrivals. The GoN is still actively promoting and encouraging foreign direct investment (FDI) in the tourism sector in order to capitalise on these potential economic development opportunities. Four of the five projects under the Niue Village Economy Development Programme (NVED 1) are tourism related projects, such as the building of two accommodation units at Hakupu, the development of sea tracks on a coastal heritage site, a canoe building and display shelter at Tamakautonga, and a small scale coconut oil production plant at Mutalau. All are very close to completion.

**Trade/Economic Partnership Agreement (EPA):** Niue is one of the Pacific ACP countries that are currently negotiating an economic partnership agreement (EPA) with the European Union through the Pacific ACP. Even though its exports potential is limited which in future may consist of only fish products, organically produced vanilla, noni and honey, Niue nevertheless has always shown considerable interests to become a signatory in the EPAs when concluded. The role of EDF is therefore crucial to remove some of the present infrastructure constraints faced by Niue and thereby making production for exports more commercially feasible in the future. Niue is not a member of the WTO and does not envisage joining in the immediate future.

### **Update of the Social situation**

Niue's Human Development Index (HDI) of 0.87 ranks it third in the Pacific region, behind Palau and the Cook Islands. The high HDI reflects Niueans' high life expectancy of approximately 71 years (2004 data low infant mortality rate and universal rates of adult literacy recorded at 100% (2004)). There are no obvious signs of extreme poverty. Average household size (at 3.4 members per household) is low by Pacific standards, and most houses have access to running water and electricity.

The population have universal access to free public education and health provision. Widespread unemployment is averted by emigration to New Zealand. The New Zealand social welfare system provides a safety net for Niueans living in New Zealand, although the Niue Government also provides child benefit allowances and old-age pensions for residence on Niue. The solidarity at village level works rather well to support the community, and for those that face hardship situations, GoN provides financial assistance. There are no perceived differences in "poverty" levels according to age or gender.

In relation to the Millennium Development Goals (UN MDG's), Niue has managed to achieve most, if not all of its targets under the MDGs. MDG 8 / target 8A is particularly relevant for Niue, since it deals with commitments to good governance, in particular the financial systems. Niue has since 2006, demonstrated key steps to cease all offshore financial centre activities by enacting key anti-money laundering legislation, setting up a Niue Financial Intelligence Unit (NFIU) with ongoing technical assistance from NZ, re-establishing the Niue Monetary Board, appointing a Banking Supervisor and putting in place Memoranda of Agreements (MoA) to share information and co-operation between NFIU, Police, Immigration, Customs and Revenue, the Banking Supervisor and other law enforcement agencies. Niue is no longer admitting companies for tax heaven purposes and has met all the "prospective commitments" (Annex 3B) with respect to financial good governance, with the exception of two. Relevant also are targets 7 and 8 of MDG 6, in particular diabetes, hypertension and gout: all of which are lifestyle diseases. The GoN has defined target

indicators to improve the situation in this area, and continues to further improve performance in areas lagging behind, in particular, MDG 7 which aims to ensure sustainability by reducing the current proportion of population using solid fuels from 16.9 % to 10% by 2015. The EC's interventions in the focal sector (renewable energy) - under the 9<sup>th</sup> and 10<sup>th</sup> EDF – will assist to achieve these defined targets.

Women enjoy a high social status and play an important part in the economy. They have guaranteed access to a full range of health services, and are afforded equal opportunities in education and employment. Their participation in the workforce has increased significantly over the years as well as increased participation in the political and decision-making process. In the last elections held in June last year, a total number of six women candidates stood in the elections, four (4) of whom were successful and one appointed to the four (4) member Cabinet. In terms of meeting its targets under MDG Goal 3 which seeks to promote equality and empowering women, Niue has achieved some progress by maintaining its overall target of 50% of women in wage employment (until 2015) and is on track in terms of the increased proportion of seats held by women in Parliament, the defined target being 50% by 2015.

Niue has a relatively high level of education services. Education is free with universal access for all children. The education system is based on the New Zealand Education Curriculum Standards and the Qualification Authority. Schools are reasonably well maintained, although there is a recognized lack of resource materials.

The estimated education budget for 2007/2008 was NZ\$ 1,509,000, which is about 7.07% of total recurrent expenditure of NZD 21.36 million. NZAID provides approximately NZ\$ 168,200 for study awards (scholarships) to enable Niue residents to undertake secondary and tertiary courses in New Zealand and the Pacific region. A fund of NZ\$ 50,000 is available for vocational and short-term training. Australia also offers scholarships for tertiary studies primarily at the University of the South Pacific.

Niue has relatively high levels of sanitation and public health services that are instrumental in controlling the level of communicable diseases in the country. However, with changing lifestyles and dietary patterns, the epidemiological picture is now dominated by non-communicable diseases (cardiovascular diseases, diabetes, obesity, cancer) that are creating new challenges for both public health and curative services. Medical care is free for all Niuean residents. During the fiscal year 2007/2008, 7.51 % of government's recurrent budget expenditure was allocated to health.

In spite of GoN's efforts and some positive signals derived from these, the migratory balance is still negative in favour of NZ. The high turnover of skilled professional impacts significantly on much needed skills, expertise and human resources required in Government Departments.

#### **Update of the Environmental situation**

Niue is a Small Island Developing State (SIDS) with problems related to its geographical isolation. Strategic Objective 5 of the Niue Integrated Strategic Plan 2003-2008 aims to build sustainable management of Niue's natural resources through utilising the natural resources in a way that not only maximises the economic benefits but also ensures that future generations will be able to enjoy these in full. To achieve these, Niue has:

1. Enacted the Environment Act 2004, which is enforced and implemented by the Department of Environment;
2. Introduced a number of sustainable land clearing methods for crop plantation and other sustainable land clearing methods, with particular objectives on forestry areas preservation from subsistence farming intrusions thereby protecting natural wildlife habitats, and the protection of water lenses which provides the main source of water supply for Niue;

3. Continued to participate in UNCCD funded land rejuvenation programmes and education, national capacity self assessment and climate change adaptation;
4. Implemented the national waste disposal management plan, which prohibits the importation of consumer goods in glass bottles. Currently, a can recycling project is in place where each consumer pays 10 cents for each aluminium can purchased. This environmental incentive is designed to encourage the exercise of care when disposing aluminium can waste within their communities and villages. In addition, the scrap metal waste component of Niue's Renewable Energy Programme (REP- 5) also targets the gradual phasing out of old electric ovens and cookers. A storage depot has been identified and efforts are now underway to establish a collection depot which will receive, sort and store the waste before disposing these to metal recyclers in New Zealand.
5. Niue also enforces organic cultivation methods for commercial and subsistence farming. It is currently engaged in an ongoing farm organic certification and auditing process through a registered international certifier. The first commercial farm was fully certified at the beginning of 2007;

Niue continues to implement its National Energy Policy (NEP) and a National Energy Action Plan (NEAP), which addresses energy conservation and efficiency, and promotes the development of sustainable renewable sources of energy. Environmental vulnerability is quite important for Niue and the droughts and cyclones are not extraordinary events.

### 1. Overview of past and on-going co-operation

	Indicative allocation 10th EDF (M€)	Commitments planned in 2008 * (M€) (add in brackets planned share of SBS)	Commitments realised in 2008 (M€) (add in brackets effective share of SBS)	Realised/ planned (%) (add in brackets ratio realised/ planned SBS)	Disbursements realised in 2008 (M€)
Focal area 1 <Renewable Energy> **	2.55	0	0	0	0
Focal area 2 <title> **	0	0	0	0	0
<...>					
General budget support	No budget support for Niue	n/a	n/a	n/a	n/a
Non focal areas					
- TCF	0	0	0	0	0
- NSAs	0.45	0	0	0	0
- <...>					
Total A-envelope	3.0	0	0	0	0
Total B-envelope	0.3				
<b>Total 10<sup>th</sup> EDF NIP</b>	<b>3.3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* based on the chronogramme annexed to the CSP.

*\*\* where relevant, split focal areas in main sub-areas of intervention: where sector budget support has been foreseen, please specify the effective implementation modalities and comment the possible discrepancy with the planned modalities in a comment to the table.*

➤ **Reporting on the financial performance of EDF resources**

In the EDF 9th, the CSP allocated € 2 million under the A-envelope and € 0.6 million under the B-envelope. Of the A-envelope allocation, €1.8 million is foreseen for a renewable energy/energy efficiency programme that will comprise also four other new Pacific ACP countries. The remaining amount of 200, 000 Euros (10% of the A-envelope) was utilised by the Niue Village Economy Development Programme (NVED 1). The Financing Agreement for the focal and non focal sector programmes was signed in 2006, with the service contract for the Programme Management Unit (PMU) based in Fiji. Implementation for projects under both the focal and non-focal sectors commenced in January 2006.

The disbursement of EDF resources is conducted through direct payment through an international tendering contract, and through the decentralised National Programme Estimates for locally managed activities. Due to the delayed start of focal sector projects implementation and the importance of projects sequencing, the focal sector projects have gone through two National Programme Estimates (NPE), of which 50% (NZD 200,200) of NPE1 for NZD for 400,400 was disbursed to Niue in December 2007. In June 2008, NPE2 for NZD 860,550 was agreed of which 50% (NZD 430, 275) of the budget was disbursed to Niue. In December 2008, a further NZD 191,970 was disbursed to replenish the NPE2 available funds to ensure scheduled project activities were progressed without any further delays.

The operation of non focal sector allocation is also through the National Programme estimates. The disbursement of the full allocation was completed in early 2008 enabling the complete utilisation of funds by June. Preparation of the project summary and expenditures report is ongoing during the last quarter of 2008.

Following Cyclone Heta, it was agreed to allocate the entire amount under the B-envelope (€ 0.6 million) for the procurement of medical equipment in co-financing approach with the New Zealand Government who funded the new hospital building project. The total allocation was channelled through WHO, who managed the procurement processes through its international tendering system. The new hospital was officially opened in April 2006.

The delayed start of the focal sector projects has been an ongoing concern since the start of the actual delivery on the ground in June 2008 because of the remaining time frame to complete all activities by end of December 2009. However, significant progress was made in 2008 giving some confidence that funds will be fully utilized and all activities concluded by the EDF 9<sup>th</sup> expiry date.

There is no Sector Budget Support for Niue,

➤ **Projects and programmes in the focal and non focal areas**

**Focal Sector**

The renewable energy programme had foreseen two specific components; the installation of a wind turbine power generation grid connection for national power utility and secondly, energy efficiency measures through provisions of solar water heaters and LPG gas cooking appliances for occupancy households on Niue. Both are critical elements to reduce dependency on national fossil fuel power generation, the gradual removal of power subsidies and the enhancement of overall environmental

and household hygiene capacity. After undergoing a thorough assessment of its institutional and technical components in 2007, the wind turbine component was considered not suitable for Niue. The wind turbine strategy was subsequently changed to solar PV grid connected system as a result of that assessment.

The solar PV grid connected system will make available 52.5kWp or 10% of current power production to the national grid. The three locations for mounting the systems have been agreed and the supply and service contract concluded. Installation will take place in the second quarter of 2009, thus the effect in the contribution to current power production will not be known until the evaluation and survey exercise is undertaken by the end of 2009.

The installation for solar water heaters and LPG gas cooking appliances on domestic households has been underway since June 2008. In total, 234 solar water heaters ranging between 150-350 litres capacities are available of which 200 units were installed and commissioned by the end of December 2008. Installation of the LPG gas cooking appliances commenced later in early November 2008, of which 200 units were also completed and commissioned by December 2008. Each system was also supplied with a full gas bottle. The delivery of these components along with the LPG gas supply and retailing system is ongoing and will be fully completed by December 2009. The evaluation on these measures contribution to current power supply consumption and savings is expected to occur in 2009.

#### **Utilisation of resources for NSAs**

Five village based projects were selected under the Niue Village Economy Development Programme (NVED1) for the non focal sector allocated 200, 000 euros (10% of the A envelope). These projects were implemented by the village councils and objective to strengthen their village economies through development of income generating activities. The Programme Estimate for NVED (PE 1) ended in July 2008 and all five projects (with the exception of one) have been completed, with the project approaching the closure phase. An audit of the project is expected to be launched before mid 2009 and an evaluation carried out before the project is closed.

#### **Utilisation of the B-envelope**

The €0.6 million of the B-envelope have been fully utilised to rehabilitate the destroyed hospital following Cyclone Heta in early 2004. The provision of equipment was completed in early 2006 and the hospital officially opened in April of that year. A project audit was undertaken in 2007 and followed by review in 2008.

#### **Other cooperation**

a) EDF regional/Intra-ACP programmes and Development Cooperation Instrument. The regional allocation to the Pacific ACP under the 9<sup>th</sup> EDF amounts to € 39 million after three mid term reviews and includes three focal sectors “Economic Integration and Trade”, “Human Resources Development”, “Fisheries” and a non-focal sector for extension of the 8<sup>th</sup> EDF programmes to the 6 new ACP countries. The 9<sup>th</sup> EDF Pacific Regional Indicative Programme funded and extended a number of existing projects to the six new Pacific ACP countries, including Niue. These consisted of:

- Pacific ACP Regional Economic Integration Programme (PACREIP)
- Development of Sustainable Agriculture in the Pacific (DSAP)
- Pacific Regional and OCT Fisheries Programme (PROCFISH)
- Plant Protection Programme (PPP)



- Pacific Regional Initiatives for the Development of (basic) Education (PRIDE)
- Reducing Vulnerability in PACP States – SOPAC
- Development of Fisheries in the Pacific (DEVFISH)
- Pacific Environmental Information Network (PEIN)

In addition to the above Niue has benefited from training provided through the "TA to the RAO" Project, as well as from EPA-related technical assistance under an intra-ACP funded programme that is implemented through the Pacific Islands Forum Secretariat. Niue also participated in EPA negotiations and Aid for Trade consultations in 2008.

- Debt relief and FLEX funding under the EDF B-envelope. Niue did not make a submission for FLEX funding.
- Humanitarian or emergency assistance (funded from the EDF B-envelope and/or ECHO). Niue has benefited from EDF 9<sup>th</sup> B-envelope funding through the provision of medical equipment for the new hospital. The new hospital is located away from the coastal area and further inland to reduce exposure wave actions during cyclonic weather conditions that previously may destroyed the old hospital.
- EIB interventions (specifying possible payments arrears). The European Investment Bank (EIB) appraised in 2005 a global loan of up to € 1 million to the Niue Development Bank (NDB). This contribution, foreseen for funding under the Pacific Islands Finance Facility, was to assist the development bank in providing support to private sector companies which suffered from cyclone Heta in 2004, and also to enable the Niue Development Bank to provide support for housing loans for re-building or construction of homes essential for improving the standards of living and therefore an incentive to encourage Niueans to remain in Niue. Consultations between the EIB and the NDB continued in 2006, and the loan agreement was signed in early 2007. The EIB is continuing to assist NDB develop its lending policies on Niue so to bring it into line with its own lending policies to NDB. The instrument is most welcome to provide additional financial resources for the NDB's country development lending strategies.
- Other Community interventions (European Instrument for Democratic and Human Rights, Instrument for Stability, fishery agreements etc.) None of the EU Member States has an important development cooperation programme with Niue, with the exception of France, which contributed € 530,000 for the construction of the new Niue government administration building completed in September 2008, and Italy and Germany which contributed to ongoing food security measures and small village projects. France and French Polynesia were also actively involved in the post-cyclone Heta rehabilitation efforts in 2004, in the context of which French Polynesia contributed 0.5 million NZD to Niue's recovery efforts.

#### ➤ **Policy Coherence for Development (PCD)**

The Niue National Integrated Strategic Plan is very much in the context of the Community's EDF agenda. EDF 9<sup>th</sup> has opened the renewable energy sector on Niue. With continuing investment will result in real benefits in the reduction of power production costs for government and retail unit price for users, plus contributing to climate change responses on Niue.

Niue views the Economic Partnership Agreement with the Community with the utmost importance even though its trade potentials will be limited. The favorability of rules of origin in particular in fishery products, better provisions in mode 4 for services in particular capacity building, acceptance

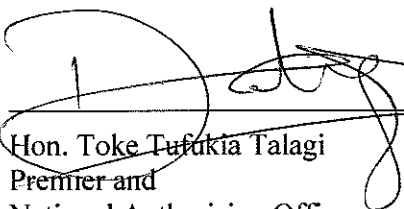
of export taxes and infant industry measures, and delivery of Aid for Trade provisions will contribute significantly towards achieving the development strategies and the maintenance of MGD on Niue. Niue has a standstill fishing industry that could benefit from an FPA and inward investment supports.

Development of the village economy is a key priority for the Government of Niue. While most of the population on the island is spread out on the 14 villages, Niue still suffers from a chronic shortage of human resources due to high migration of Niueans mainly to New Zealand and Australia. Village development is critical to maintain the community livelihood and provide collective financial security. This, in turn can provide direct benefits to Niueans by improving the quality of life in the villages and act as an incentive for Niueans to remain and further develop other possible potential activities. It is with this intention that the GoN indicated that a similar type programme be continued under the non focal sector of the 10<sup>th</sup> EDF.


## SIGNATURES

**National Authorising Officer**

**Head of Delegation**



Hon. Toke Tufukia Talagi  
Premier and  
National Authorising Officer  
NIUE



Wiepke Van Der Goot  
Ambassador /  
Head of Delegation  
European Commission for the Pacific

Date: 14 - 9 - 09 -

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**ANNEX 2**

**Table 1: "Country at a Glance"**

**NIUE - POPULATION AND SOCIAL INDICATORS 2004 & 2005**

<b>POPULATION INDICATORS</b>	<b>2004</b>	<b>2005</b>
Total population	1,800	1,730
Annual population growth rate (% change)	-12.7	-4.04%
Migration rate/1000 population	79/1000	31/1000
<b>SOCIAL INDICATORS</b>		
Proportion of the population below 1 USD per day	0%	0%
Total fertility rate (births per woman)	0.6%	9.7%
Maternal mortality rate (per 100,000 live births)	0%	0%
Infant mortality rate (below 1 year, per '000 live births)	0%	0%
Proportion of births attended by skilled health personnel	100%	100%
Prevalence of child malnutrition (under fives) in %	0%	0%
Life expectancy at birth (years)	N/A	N/A
Female 71.2 ('97-'01)		
Male 68.8 ('97-'01)		
Adult literacy (%)	100%	100%
Primary school enrolment (% of school age)	100%	100%
Secondary school enrolment (% of school age)	100%	100%
Child malnutrition (% age under 5 years)	0%	0%
Population with access to safe water (%)	100%	100%
Population with access to sanitation (%)	100%	100%
TB prevalence rate (per 100,000 people)	0%	0%
Gini coefficient	0.34 (2002)	N/A
Human Poverty Index	N/A	N/A

Expenditure on education (2008)	7.06 % of total recurrent expenditure, source: CSP
Expenditure on health (2008)	7.51 % of total recurrent expenditure, source: CSP

Source: Niue Government

**Economic data for 2000 to 2004**

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
GDP per capita (USD)	5,118	5,215	5,448	5,823	
GDP in PPP	N/A	N/A	N/A	N/A	
GDP growth rate	1.8%	1.9%	4.5%	6.9%	
Inflation rate	3.5%	6.8%	2.7%	2.7%	
Current expenditure (NZD)	19.8M	20.4M	20.7M	18.3M	21.6M
Current expenditure as % of GDP					
Fishing access revenue (NZD)	333,600	300,000	240,100	227,400	
Total exports to the EU in '000 EUR	0	0	0	243	
Total imports from the EU in '000 EUR	19,500	0	0	1,498	
Unemployment	N/A	1.74%	N/A	N/A	
External Debt (% of GDP)	0	0	0	0	0

Source: Niue Government

\* Some data for 2004 are not yet available

TABLE OF MACRO-ECONOMIC INDICATORS

		2004	2005	2006	2007	2008	2009	2010
<b>Basic data</b>								
1	Population (in 1000)	1,800	1,730	n/a	n/a	n/a	n/a	n/a
	- annual change in %	-12.7	-4.04	n/a	n/a	n/a	n/a	n/a
2a	Nominal GDP (in millions €)	5650	n/a	n/a	n/a	n/a	n/a	n/a
2b	Nominal GDP per capita (in millions €)	5823	n/a	n/a	n/a	n/a	n/a	n/a
2c	- annual change in %	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3	Real GDP (annual change in %)							
4	Gross fixed capital formation (in % of GDP)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>International transactions</b>								
5	Exports of goods and services (in % of GDP)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	- of which the most important: ... (in % of GDP)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6	Trade balance (in % of GDP)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
7	Current account balance (in % of GDP)							
8	Net inflows of foreign direct investment (in % of GDP)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
9	External debt (in % of GDP)	0	n/a	n/a	n/a	n/a	n/a	n/a
10	Service of external debt (in % of exports of goods and non-factor services)	0	n/a	n/a	n/a	n/a	n/a	n/a
11	Foreign exchange reserves (in months of imports of goods and non-factor services)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Government</b>								
12	Revenues (in % of GDP)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	- of which: grants (in % of GDP)							
13	Expenditure (in % of GDP)		12.05 m					
	- of which: capital expenditure (in % of GDP)	n/a	n/a					
14a	Deficit (in % of GDP) including grants	n/a	n/a	n/a	n/a	n/a	n/a	n/a
14b	Deficit (in % of GDP) excluding grants	n/a	n/a	n/a	n/a	n/a	n/a	n/a
15	Debt (in % of GDP)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	- of which: external (in % of total public debt)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Other</b>								
16	Consumer price inflation (annual average change in %)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
17	Interest rate (for money, annual rate in %)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
18	Exchange rate (annual average of national currency per 1 €)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
19	Unemployment (in % of labour force, ILO definition)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
20	Employment in agriculture (in % of total employment)	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Data source(s): Niue Statistics Office, Government of Niue. The Statistical National Accounts data issued from the Niue Statistics Office is only up till 2004.

## MONITORING COUNTRY PERFORMANCE

Key indicators	1990	2005	2006	2007	2008	Inter m. Targets	2015 goals
1. Proportion of population below 1\$/day in PPP	0%	0%	n/a	n/a	n/a	OTA	50% 1990 value
2. Prevalence of underweight children	0%	0%	n/a	n/a	n/a	OTA	50% 1990 value
3. Under 5 child mortality	0%	0%	n/a	n/a	n/a	OTA	1/3 1990 value
4. HIV prevalence rate of women aged 15-24	n/a	0%	n/a	n/a	n/a	n/a	Halt / reverse rate
5. Proportion of births attended by skilled health personnel	n/a	100%	n/a	n/a	n/a	OTA	100%
6. Proportion of 1 year old children immunised against measles	n/a	n/a	n/a	n/a	n/a	99% TA	100%
7. Net enrolment ratio in primary education	n/a	100%	n/a	n/a	n/a	100% TA	
8. Ratio of girls to boys in primary and secondary education	n/a	n/a	n/a	n/a	n/a	n/a	
9. Primary school completion rate	n/a	100%	n/a	n/a	n/a	100 % TA	
10. Proportion of population with sustainable access to an improved water source	n/a	100%	n/a	n/a	n/a	100 % TA	50% 1990 value
11. Fixed lines and mobile telephone per 1000 inhabitants <sup>1</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
12. Formal cost required for business start up <sup>2</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
13. Time required for business start up <sup>25</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
14. Real GDP per capita and annual change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
15. Access of rural population to an all season road <sup>3</sup>	n/a	n/a	n/a	n/a	n/a	100% TA	n/a
16. Household electrification rate <sup>4</sup>	n/a	97%	97%	97%	97%	100% TA	n/a

<sup>1</sup> Source: data on telephone lines and cellular subscribers are collected by the International Telecommunication Union (ITU). Data for telephone lines come from administrative records compiled by national regulatory authorities or telecommunication operators and tend to be timely and complete. A source of information for DEL could be Gov (national agencies annual report) or ITU consolidated report (the most recent for 2006).

<sup>2</sup> Source: [www.doingbusiness.org](http://www.doingbusiness.org)

<sup>3</sup> There are two main approaches to measuring this indicator: (a) household surveys that include information about access to transport, and (b) mapping data to determine how many people live within the specified catchments of the road network. A possible source of information for DEL, alternative to Gov, would be the WB (limited to 31 IDA countries).

<sup>4</sup> The indicator is estimated using national household surveys and Core Welfare Indicators Questionnaire (CWIQ) surveys. For DEL the source would be the WB's Economic Research Group report, available for 50-55 countries.

Explanation:

Compared to previous years, 6 new indicators have been added, providing additional information on the modernisation and economic growth process. These indicators are based on a set of indicators harmonised between the EC, The World Bank and the African Development Bank for measuring performance at the country level.

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Data may be collected from various sources such as in-country PRSP performance assessment frameworks, Doing Business Report (World Bank), for macro-economic data IMF, data from in-country sector reviews or other sector monitoring, etc. Quality of data should be assessed and point out where time series are not entirely comparable over time. Where data are not available state n/a.







