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DRAFT COUNTRY REVIEW PAPER

Implementation in Asia and the Pacific of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010: progress made, obstacles encountered and the way forward

Tuvalu

This draft country review paper has been prepared by the Government of Tuvalu with support from ESCAP to facilitate discussions.

The views expressed in this draft paper do not necessarily reflect those of the United Nations or of the Government of Tuvalu.

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CONTENTS

ACRONYMS and ABBREVIATIONS	ii
I. INTRODUCTION	1
A. Background	2
B. Objective of the report	2
II. NATIONAL DEVELOPMENT PLANNING PROCESS	2
A. National Development Strategy	2
III. PROGRESS AND CHALLENGES IN TUVALU'S IMPLEMENTATION OF BPOA COMMITMENTS	6
A. Commitment 1: Fostering a people-centred policy framework	6
B. Commitment 2: Good governance at national and international levels	8
C. Commitment 3: Building human and institutional capacities	11
D. Commitment 4: Building productive capacities to make globalization work for LDCs	12
E. Commitment 5: Enhancing the role of trade in development	15
F. Commitment 6: Reducing vulnerability and protecting the environment	16
G. Commitment 7: Mobilizing financial resources	17
IV. IMPACT OF GLOBAL FINANCIAL AND ECONOMIC CRISIS: TUVALU POLICY RESPONSES	18
V. CONCLUSION AND THE WAY FORWARD	19
VI. RECOMMENDATIONS	
REFERENCES	

ACRONYMS and ABBREVIATIONS

ADB	Asian Development Bank
AIDS	Acquired Immunodeficiency Syndrome
AusAid	Australian Government's Overseas Aid Programme
BPOA	Brussels Programmed of Action
EC	European Commission
DOTS	Direct Observed Therapy Strategy
DWFNs	Distant Water Fishing Nations
DTIS	Diagnostic Trade Integrated Study
ESCAP	Economic Social Commission for Asia and Pacific
ETSMP	Education and Training Sector Master Plan
EC	European Commission
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FEMM	Finance and Economic Ministers Meeting
FDI	Foreign Direct Investment
GEF	Global Environment Facility
GDP	Gross Domestic product
GNP	Gross National Product
HIES	Household Income and Expenditure Survey
HIV	Human Immunodeficiency Virus
IF	Integrated Framework
IMF	International Monetary Fund
ILO	International Labour Organization
LDCs	Least Developed Countries
MDGs	Millennium Development Goals
NGOs	Non-Government Organizations
NSSD	National Development Strategy for Sustainable Development
NZAID	New Zealand's International Aid Development Agency
ODA	Overseas Development Assistance
PACER	Pacific Agreement on Closer Economic Relations
PICTA	Pacific Island Countries Trade Agreement
PPA	Participative Poverty Assessment
PRSPs	Poverty Reduction Strategy Papers
PLWHA	People Living With HIV AIDS
PMH	Princess Margaret Hospital
SIDS	Small Islands Development States
STISexually Transmitted Infections	

TB	Tuberculosis
TEIP	Tuvalu Education Implementation Plan
TTF	Tuvalu Trust Fund
TuNAC	Tuvalu National Aids Committee
UNDP	United Nations Development Programme
UK	United Kingdom
UNDAF	United Nations Development Assistance Framework
UNFPA	United Nations Population Fund
UNIFEM	United Nations Development Fund for Women
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund

GLOSSARY

Falekaupule	Local Island Council
Te Kakeega II	National Strategies for Sustainable Development

I. INTRODUCTION

This report represents Tuvalu's contribution to the up-coming High-level Asia-Pacific Policy Dialogue on the progress towards implementation of the Brussels Programme of Action (BPOA) for the Least Developed Countries (LDCs) for the decade 2001-2010. The report provides the key implementation achievements, gaps and challenges faced by Tuvalu, in its efforts to implement the BPOA with a focus on how the results can be achieved.

The Brussels Programme of Action, which was endorsed by the General Assembly in its resolution 55/279 of 12 July 2001, represents "a time-bound comprehensive poverty reduction strategy with 30 internationally agreed development goals, including those contained in the Millennium Declaration in seven interlocked commitments". The overarching goal of BPOA is "to make substantial progress toward halving the proportion of people living in extreme poverty and suffering from hunger by 2015 and to promote the sustainable development of the LDCs".

A. Background

The economy of Tuvalu is small and highly vulnerable to world events which influence world economies. It relies heavily on development assistances from the international communities, and this has led to a degree of complacency in its fiscal and financial management.

A substantial amount of government revenues and private sector incomes are sourced from overseas. Government revenues come from several sources: income from the Tuvalu Trust Fund (TTF); the 'dot TV'; the ships Registry; and fishing licenses issued to vessels from Distant Waters Fishing Nations (DWFNs). The families derive their income from remittances from seafarers employed on overseas vessels; from Tuvaluans working in regional and international organizations in other countries; and from public servants working in Government on the Capital and on outer islands.

Between 2001 and 2009, the subsistence sector has been declining, indicating the impact of the cross-cutting issues related to the importance of cash in meeting daily needs, and the depopulation in the outer islands due to the increasing migration to the capital (urbanization), and the subsequent reduction in the production of local produce in the outer islands due to the shortage of manpower.

Tuvalu continues to receive remittances from seafarers working on overseas boats but the global financial crisis which began in 2007 and continued through 2008 and 2009, has forced many shipping companies to reduce their activities and to lay off crew on their ships, including many Tuvalu seamen. The situation subsequently reduced the remittances from this source of revenue during the years 2008 and 2009.

B. Objective of the report

The objective of this report is to provide an assessment of the progress made by Tuvalu in the implementation of the Brussels Programmed of Action (BPOA) during the decade 2001-2010 against its objectives, goals and commitments, challenges and constraints encountered, and priorities and opportunities that would ensure the progressive integration of Tuvalu into the world economy. Based on the assessments, actionable recommendations for follow-up at the national and regional levels will be made to move the BPOA for LDCs forward.

II. NATIONAL DEVELOPMENT PLANNING PROCESS

A. National Development Strategy

The National Strategy for Sustainable Development, 2005-2015, “*Te Kakeega II*” was completed and published in November 2005. Under the strategic plan, an attempt is being made to address the respective development initiatives under the eight focus areas during the period 2005 to 2015. These include: good governance; the economy; private sector and job creation; social services; outer islands and Falekaupule; education and training; infrastructure; and natural resources (agriculture, lands and fisheries).

A follow-up document, the 2008 “*Kakeega Matrix Returns*”, “contained all the known aid projects, programmes, development initiatives and ideas adopted by the donors and the two successive Tuvalu governments (2004-2006 and 2006 to present)”. The document is being considered as the official record of the current state of aid cooperation, intentions and funding, as well as the development responsibilities of all Government ministries and departments. The document also serves as an annual review of the development strategies and activities contained in *Te Kakeega II*.

III. PROGRESS AND CHALLENGES IN TUVALU’S IMPLEMENTATION OF BPOA COMMITMENTS

In this report, the status of Tuvalu’s progress in its implementation of the commitments and the associated goals under BPOA are assessed hereunder:

A. Commitment 1: Fostering a people-centered policy framework

1. Goal 1: Attain a GDP growth rate of at least 7 per cent per annum

Achievements and Constraints

Under the first goal, Tuvalu achieved the following: Between the years 1996 and 2002, the annual real growth rate averaged about 5 per cent per annum. Between the years 2003 to 2005, the economy slowed down to 4 per cent annually due to the completion of two large projects, the main government building and the Princess Margaret Hospital (PMH). Between 2005 and 2007, GDP grew at 2.5 per cent mainly in the public sector. In 2006, the economy grew by an impressive 6.6 per cent in real terms and 4.9 per cent in 2007, and despite the global financial crisis, and the increases in fuel and food prices beginning in 2007 and continuing to

2008, the economy still maintained a positive real growth of 1.3 per cent in 2008. A slower growth rate however, is the forecast for 2009. Tuvalu's economy performed moderately well when compared to many Pacific Island neighbouring countries, but still has not achieved the main BPOA target, aimed at attaining a GDP growth rate of 7 per cent per annum. The outstanding constraints relates specifically to the difficulties in maintaining accurate and updated data on the status of the Tuvalu economy.

Priorities

The NSSD provides the framework for the governments of Tuvalu to base their development plans. These include a strategy to increase economic growth through increasing activities in the fisheries and agriculture sectors, including the business and public sectors. Fiscal discipline and cost cutting measures were strengthened and adhered to, focusing on the core functions that have high rates of returns.

Challenges

Government should seek donor assistance for the implementation of the above strategies to increase economic growth and to achieve the growth rate as indicated in the above goal under the first BPOA commitment.

2. Goal 2: Increase the ratio of investment to GDP to 25 per cent per annum

Achievements and Constraints

The development partners contributed 25 per cent in grants in 2004 and 38 per cent in 2005, an increase of 13 per cent. Donor assistance increased during 2006 (28 per cent) and 2007 (32 per cent). A United Nations Development Assistance Framework (UNDAF) is in place, under which 9 UN organizations (UNIFEM, FAO, WHO, UNFPA, UNESCO Pacific Office, UNICEF, ESCAP Pacific Operation Center, ILO and UNDP) will support Tuvalu's long-term developments. The European Commission (EC) agreed to a National Indicative Programme (2002-2007) which made available two separate envelopes: A-allocation with 3.3m Euros for focal/non-focal areas of community assistance; and B- allocation with 0.7m Euros for unforeseen needs. Under the European Union's EDF10, funding and technical assistance will be provided to improve the water shortage problems and also waste management in the country. Recently GEF funding has been secured to finance environmental protection projects. Despite the increased donor assistance, government is now financing 50 per cent of the development budget.

The private sector economy is still small due to the rapid increase in the contribution of the public sector. Most of the private sector contributions come from non-market contribution with minimal amount from private sector monetary output. With a small private sector, employment becomes a problem. Given the size of the country and the remoteness of the country, the Foreign Direct Investment (FDI) was very slow. However, during 2008, the private sector began to grow, and more businesses started mainly on the capital. New migrant Chinese arrived during the last three years and have established thriving retail businesses, providing more opportunities for employment.

In late 2009, Government proposed a policy on Government Ownership of Enterprises, Enterprise Performance and Private Sector Participation. A Bill on Public Enterprise

(Performance and Accountability) was also passed by Parliament for its First Reading. The Act aims to promote and improve the performance of Public Enterprises in order to provide the best possible service for the people of Tuvalu, which in turn result in the social, economic and commercial developments in Tuvalu.

Priority

Government should invest more of its funds for developments and seek ongoing donor financial assistance. Reforms need to be undertaken in the management of State Owned Enterprises (SOEs); introduce market competitiveness; increase private sector share of GDP; and maintain subsidies to SOEs at reasonable level (5 per cent of GDP).

Government also need to provide or create a better environment for the establishment of small-scale businesses and micro-enterprises, with potential local ownerships, thus providing more income and employment opportunities.

Challenges

The challenge remains to continue and complete the passage of the Private Enterprises Bill and to ensure it is complied with. Also there is a need to identify the potential departments that should be corporatized or privatized in order to increase the private sector contribution to GDP. This is being done under the Public Sector Reform Programme currently being implemented as an ongoing programme under the Office of the Prime Minister. Other challenges include the implementation of the Public Sector policy and the completion of the Bill. Private ownership of micro-enterprises is also a challenge for government.

3. Goal 3: Make substantial progress towards halving the proportion of people living in extreme poverty.

Achievements and Constraints.

Extreme poverty does not exist in Tuvalu due mainly to the traditional customs of helping extended families. “Poverty of opportunities” is the problem that exists in the country; people lack opportunities to achieve an acceptable life. They have insufficient access to education, health and other basic services and economic opportunities. Opportunities for income earning are limited. From the 1994 Household Income and Expenditure Survey (HIES), 29 per cent of households have incomes below the national poverty line (A\$84.21); these families have to make choices about expenditure priorities: either they spend the limited monies for food purchases or school fees; and in some cases, to choose between meeting the social and community obligations or settlement of power bills. From the 2003 Survey, these people were often single mothers or widows; elderly people without family support; orphans; the mentally or physically disabled or women with alcoholic husbands.

From the results of a **Participative Poverty Assessment (PPA)** undertaken by ADB in 2003, involving six communities, the following causes were identified: limited access to quality basic services and infrastructure; limited opportunities for income generation; overcrowding of households especially on the capital Funafuti; loss of family social support system; increasing family, churches and community obligations; and attitude of depending on others without making the efforts themselves to seek employment and earn incomes, etc.

Since 2006, government has increased the number of infrastructure projects in the outer islands, thus providing employment opportunities for the young people in the outer islands, and reducing the population migration to the Capital. Other supporting facilities including electricity and water were being improved and upgraded providing the services to everyone on the Capital during 2008 and 2009.

Target 1 Halve between 1990 and 2015, the proportion of people living in poverty

Indicator	Tuvalu Baseline	Most Recent Status	2015 Target
1. Proportion of households below \$1 (PPP) per day	1994 National 17% Funafuti 9% Outer Islands 23%	No recent data available	8% 5% 11%
1a. Poverty headcount ratio (% of population below the national poverty line) household expenditure, basic needs poverty	1994 National 29% Funafuti 24% Outer Islands 23%	No recent data available	14% 12% 11%
2. Poverty gap ratio (PGR) [incidence x depth of poverty] household expenditure	1994 National 13% Funafuti 10% Outer Islands 10%	No recent data available	6% 5% 5%
3. Share of poorest quintile (20%) in national consumption household expenditure	1994 National 7%	2004/05 HIES National 10%	3%

Source: 1994 and 2004/05 Household Income and Expenditure Survey

Priorities

The National Strategy for Sustainable Development, Kakeega II includes strategies to improve economic growth, in particular strategies to provide a stable economic environment, sound budget management, social and infrastructure development. Government need to consider the results of the PPA and to propose appropriate solutions based on these strategies, aimed at providing opportunities for the people to improve their living conditions.

Challenges

Government should develop appropriate policies based on the NSSD strategies to minimize the social problems in order to achieve the poverty objective of BPOA.

4. Goal 4: Make substantial progress towards halving the proportion of people from hunger by 2015.

Achievements and Constraints

As stated earlier, no one in Tuvalu dies from hunger. The issue is not a major problem in Tuvalu and should be accomplished without major difficulties. However, the problems are related to obesity in children due to lack of nutritious food in their diet. There is a lack of data to confirm these trends. A draft National Food and Nutrition Policy was however prepared and

drafted in 2004, and embodies government's commitment to improve the nutritional well-being and health of all citizens and to eradicate the problem of malnutrition. The plan has yet to be finalized and approved by the authorities.

Priorities

The Ministry of Health will need to complete and implement a Nutrition Plan, involving efforts to finalize and to secure final approval of the draft plan. Food and nutrition is one program included in the Ministry of Health's ongoing programme related to primary and preventive services.

Challenges

The government should be concerned about the increasing incidence of non-communicable diseases: diabetes, hypertension, over-weight in adults, especially in women, and nutrient deficiencies such as anemia. The need to increase public awareness on the importance of eating nutritious foods, especially locally produced food, and to increase access to these food items and also to increase their supplies, should be accomplished through the Nutrition Plan.

B. Commitment 2: Good governance at national and international levels

Progress and Constraints

Efforts have continued to establish good governance in all institutions, strengthen the rule of law, including effective cooperation among the stakeholders in the development of good governance.

In an effort to avoid the changes in governments through votes of no confidence being passed by Parliaments, Government managed to get Parliament to approve an amendment to the Constitution through a Bill which was passed and became an Act in 2007, allowing the number of Ministers to be appointed equal to half of the total membership of Parliament of 15 members. This subsequently increases the number of Ministers from 5 to 7, and with the Prime Minister, this brings the number in the Executive to 8, thus maintaining government's majority in Parliament. This change however raises the issue related to the separation of powers, as the Executive now holds the majority in Parliament. In addition, the change is not consistent with one of benchmarks agreed for Pacific Parliaments requiring the membership of the Executive to be maintained at one third of the membership of Parliament.

A Leadership Code has also been approved and has become an Act of a Parliament, but due to funding problems, it has not been implemented as the implementing mechanism (Ombudsman Commission and an Ombudsman) has not been established. The present situation provides rooms for corruption practices in view of the absence of an Ombudsman. However, Government did make amendments to the Audit Act in order to give the Audit Office the independency and more power to perform its functions.

During the December 2009 Parliament session, two Police Acts were passed to strengthen the Police Department to have the resources and the capacity to perform its functions and strengthen the rule of law.

Priorities

To strengthen the rule of law in Tuvalu, an Ombudsman Commission should be established and an Ombudsman to be appointed in the very near future. Government's financial systems also need to be monitored through the implementation of the FEMM's eight principles of Accountability. Government should also establish working Committees to monitor and report on government's actions in meeting its commitments under various programme of actions for LDCs and SIDs, including the MDGs. Improvement to the quality of the political, economic and civic governance is considered one effective way by the government of addressing the daunting obstacles and challenges impeding its progress toward achieving sustainable development.

Challenges

Government need to seek funding assistance from its donor partners for the implementation of the above strategies to strengthen the rule of law and the financial systems and monitoring of programme of actions for LDCs and SIDs. Seeking financial assistance to strengthen governance in Tuvalu continue to be a challenge for Government, and require the support of donor partners.

C. Commitment 3: Building human and institutional capacities

1. Goal 5: Making accessible, through the primary health system, reproductive health to all individuals of appropriate ages as soon as possible and no later than the year 2015

Progress and Constraints

Tuvalu has a free medical and health services, providing most of the key health services to its citizens. The serious cases are sent under a medical referral scheme, the Tuvalu Medical Treatment Scheme (TMTS) to Fiji or New Zealand. Tuvalu is the only country in the Pacific that provides free medical treatments overseas for its citizens. The shortage of specialists Doctors (surgeons, and anaesthetist) and the lack of major hospital equipment were the main constraints faced during the past two years, and has contributed to the rapid increase in the number of referral cases under the TMTS.

The health Department has a National Health Plan (1999-2003), and includes a number of programmes for women, including reproductive health and prenatal and postnatal clinics. Family planning, tests on sexual transmitted diseases, cervical screening and healthy nutrition are included in the National Health Plan. The Tuvalu Family Health Association (TUFHA), an NGO in Tuvalu, advocates family planning, ensuring good health for mothers and also involved in reproductive health education.

Tuvalu is likely to meet this specific goal **by 2015**.

Priorities

The Ministry of Health should focus on improving curative and primary preventative services to the Capital and the outer islands. The NSSD priorities and strategies should be achieved.

Challenges

The need to provide adequate infrastructure and staff should be met with assistance from the donor partners.

2. Goal 6: Making available the widest achievable range of safe, effective, affordable and acceptable family planning and contraceptive methods

Progress and Constraints

TuPHA and PMH (Princess Margaret Hospital) provide free condoms of various types, and supplement these with training workshops run by TuPHA on family planning and safety use of contraceptive methods. The constraints included the lack of information on the contraceptive methods.

Priority

Additional funding is required to sustain the provision of condoms and other contraceptive methods, including more workshops.

3. Goal 7: Ensuring that by 2015 all children, particularly girls, children in difficult circumstances and those belonging to ethnic minorities, have access to and complete, free and compulsory primary education

Progress and Constraints

The number of students enrolled in primary education has satisfied the goal. However, the number of students actually attending is being questioned, as no records of the dropouts were kept. Tuvalu is doing fine to date and will satisfy this goal by 2015. Achieving the goal is being constrained by the lack of sufficient classrooms especially on the capital to accommodate the large student population; the poor quality of classrooms and lack of equipment to assist with the training.

Priorities

Government should start implementing the Tuvalu Education Implementation Plan (TEIP) for the Education and Training Sector Master Plan (ETSMP), focusing on quality, relevance and access as its three major themes.

Indicator	Tuvalu Baseline	Most Recent Status	2015 Target
6. Net enrolment in primary education	(1992) 98%	(2002) 99.9%	100%
7. Proportion of Pupil starting grade 1 who reach grade 5	(1993) 96%	(2002) 99.7%	100%
8. Literacy rate of 15-24 year olds	(1991) 95%	(2002) 99%	100%

*Source: Indicator 6 and 8: Tuvalu 2002 Census of Population and Housing.
Indicator 7: Ministry of Education and Tuvalu 2002 Census of Population and Housing*

Challenges

Providing relevant and quality education to all students is a challenge for government, but this should be possible since the education sector is being allocated the largest percentage from the annual national budgets.

4. Goal 8: Achieving a 50 per cent improvement in levels of adult literacy by 2015, especially for women, and equitable access to basic and continuing education for all adults

Progress and Constraints

From the 1995 Census, the literacy rate of 15-24 year old increased from 95 per cent in 1994 to 99 per cent IN 2002. These rates may not be very accurate. The 2004 HIES provides the latest literacy rates.

Priorities

Governments continued to allocate increased budget allocation for the education sector; supporting primary and secondary education; providing and implementing classroom projects financed by donor partners (EU); providing scholarships to pre-service students. In-service Scholarships was also provided to Teachers to obtain additional qualifications. The National Education Masterplan has been completed, and should provide improvement to the education sector.

Challenges

Tuvalu Government should seek financial support from the donor partners for the implementation of the National Education Master Plan.

5. Goal 9: Eliminating Gender disparities in primary and secondary education by 2005, and achieving gender equality in education by 2015, with a focus on ensuring girls' full and equal access to and achievement in basic education of good quality

Progress and Constraints

Gender disparities are not being practiced in Tuvalu, both in primary or secondary education. Under the present education system, girls and boys have equal access to education; all children have equal access to primary education, some have the opportunities to attend secondary school, based on merits. Tertiary education is also based on merits, through the award of pre-service scholarships to successful students. Tuvalu has successfully addressed this goal.

Indicator	Tuvalu Baseline	Most Recent Status	2015 Target
9. Ratio of girls to boys in primary, secondary and tertiary education	(1991) Primary – 0.87 Secondary – 1.05 Tertiary – 0.37	(2003) Primary – 0.97 Secondary – 0.96 Tertiary – 1.08	1 1 1
10. Ratio of literate women to men 15 – 24 olds	(1991) 0.96	(2002) 1.00	1
11. Share of women in wage employment in the non-agricultural sector	(1991) 38%	(2002) 44%	100%
12. Proportion of seat held by women in national parliament	1990 8%	(2004) 0	50%

Source: Indicator 9: Ministry of Education for primary and secondary ratios, tertiary training is overseas university from the Central Statistics Division Quarterly Statistical Report December 2003. Indicators 10 & 11: Tuvalu Census of Population and Housing 1991 and 2002. Indicator 12: Ministry of Finance and Economic Planning

Table 3.1: Primary school enrolments, teachers						
Year	Male	Female	Total	Ratio of girls to boys	Teachers	Pupil/Teacher Ratio
1991	781	702	1,483	0.90	66	22.5
1992	731	685	1,416	0.94	62	22.8
1993	854	794	1,648	0.93	73	22.6
1994	879	767	1,646	0.87	72	22.9
1995	940	769	1,709	0.82	60	28.5
1996	938	747	1,685	0.80	59	28.6
1997	957	786	1,743	0.82	78	22.3
1998	975	846	1,821	0.87	90	20.2
1999	955	784	1,739	0.82	92	18.9
2000	1055	885	1,940	0.84	94	20.6
2001	945	853	1,798	0.90	94	19.1
2002	846	795	1,641	0.94	94	17.5
2003	945	914	1,859	0.97	94	19.8
2004	1035	975	2010	0.94	94	21.3
2005	1049	961	2010	0.92	103	19.5

Source: Ministry of Education and Central Statistics Division

Priorities

Government's strategy as in the NSSD aimed at providing opportunities for all citizens; call for gender equality and the involvement of women in development activities.

Challenges

The involvement of women in politics has been discussed in many forums, but presently, there are no restrictions in the Constitutions barring women from contesting for seats in Parliament.

6. Goal 10: Reducing the infant mortality rate below 35 per 1,000 live birth by 2015

Progress and Constraints

The under five year mortality rate has reduced from 41 in 1991 to 19 in 2003, a reduction of 51 per cent, and was attributed to capacity building provided for nurses; improved health facilities; regular pre-and post-natal check-ups and the immunisation programme for children, which has greatly reduced the number of child mortality. TuPHA's specific role in this undertaking has greatly helped with the reduction in infant mortality.

Priorities

Delivery of health services on the capital and on the outer islands is a key priority; the National Health Plan includes strategies to reduce child mortality.

Challenges

Delivery of effective public health services in the outer islands, and increased parent advice to young mothers.

7. Goal 11: Reducing the under 5 mortality rate below 45 per 1,000 live births by 2015

Progress and Constraints

The mortality rate has decreased from 59 in 1991 to 32 in 2003 due to the availability of better facilities, trained staff including other specialized training programmes.

Challenges:

The training programmes should continue to sustain the ongoing reduction in mortality rate.

8. Goal 12: Reducing the maternal mortality rate by three-quarters of the current rate by 2015

Progress and Constraints

Mid-wife training is carried out for nurses in the outer islands to enable them to perform deliveries in the outer islands. Cases of new mothers and those with pregnancy history problems are sent to the Capital and to Fiji for major problems. The maternal mortality rate (per 100,000 live births is 6.4 for 2002.

Reduce by two-thirds, between 1990 and 2015, the under five mortality rate

Indicator	Tuvalu Baseline	Most Recent Status	2015 Target
13. Under five mortality rate (per 1,000 live births)	(1991) 5	(2003) 32	20
14. Infant mortality rate (per 1,000 live births)	(1991) 41	(2003) 21	14
15. Proportion of 1 year old immunised against measles (%)	(1990) 90%	(2002) 99%	100%

Source: Ministry of Health

Priorities

Maternal health is a priority and is incorporated in the health programmes covering areas that affect women's health. The TuPHA advocate family planning, advising mothers on the family planning methods, and provide counseling services.

Challenges

The remoteness of the islands in cases major problems arise and needed urgent attention is a major challenge.

9. Goal 13: Reducing the number of undernourished people by half, by the year 2015

Progress

This issue is again not a major problem in Tuvalu, and should be achieved by 2015.

10. Goal 14: Reducing by half, by 2015, the proportion of people who are unable to reach or afford safe drinking water.

Progress and Constraints

This goal can be achieved by 2015. The provision of additional water tanks, under donor funding support, to households on Funafuti during 2008 and 2009, and in 2010 to the households in the outer islands should provide sufficient supply of water for human consumption at this point in time. The question remains on how long this volume of water being provided would sustain meeting the demand for water in future, in particular the demand for water for agricultural development purposes..

Priorities

Government need to supply all households in the outer islands with additional water tanks. Government should seek additional funding to build larger water reservoirs to meet commercial farming and livestock developments, and improve water testing for quality with assistance from donors (WHO).

Challenges

Safe water and sanitation be widely publicized through seminars. The management of water resources should be improved, including improving the skills of health personnel in water monitoring, including the treatment and disposal of wastes.

11. Goal 15: Reducing HIV infection in persons 15-24 years of age by 2005 in all countries and by 25 per cent in the most affected areas.

Progress and Constraints

HIV/AIDS is a threat to the people of Tuvalu, a population, as reported by SGS Survey 2006, with high rates of STIs, a sexually active youth population, with low condom use. Since the first case was diagnosed in 1995, ten more cases have been confirmed bringing the total number of cases to date to 11, mostly caused through heterosexual activities as indicated below.

The Ministry of Health has established the Tuvalu National AIDS Committee (TuNAC), to oversee HIV activities in the country. HIV and STI are included as an activity of the primary and preventive services of the Health Department, involving better health promotional activities targeting the behavior of young people; completion of the national Strategic Plan for HIV and STI (2009-2019) and the completion of IEC material development.

Indicator	Tuvalu Baseline	Most Recent Status	2015 Target
18. HIV prevalence among 15-24 year old pregnant women	0.0% (1990)	(2006)	
19. Condom use rate of the contraceptive prevalence rate			
19a. Condom use at last high-risk sex		non-commercial (33.3%) commercial (87.5%) taken from sample of 209 seafarers.	
19b-1. Percentage of women and men aged 15-24 who know that a person can protect oneself from HIV infection by consistent use of condoms		85.2% (Youth Survey sample 305)	
19b-2. Percentage of women and men aged 15-24 who know a healthy-looking person can transmit HIV			
19c. Contraceptive prevalence rate	(1990) 39	(2002) 32	
20. Number of children orphaned by HIV/AIDS	0 for 1990	(2006)	

Source: Ministry of Health

Priorities

Under the strategic plan for HIV/AIDS are 6 priority areas to be addressed, and include:

- Coordinating the multi-sectoral response to HIV/AIDS/STI in Tuvalu;
- Support and care for people living with HIV/AIDS (PLWHA), their families and communities;
- Preventing and combat STIs;
- Reduce vulnerability and safer sexual behavior;

- Provision of safe blood supplies in Tuvalu; and
- Expand HIV testing for frequent travelers and highly risk groups and their partners.

Challenges:

More funding should be sought from donor partners and regional AIDs organizations to finance the AIDs programmes.

12. Goal 16: Increasing the percentage of women receiving maternal and prenatal care by 60 per cent

- Covered in goal 5.

13. Goal 17: Halving malnutrition among pregnant women and among pre-school children in LDCs by 2015

- Covered in goal 13

14. Goal 18: Substantially reducing infection rates from malaria, tuberculosis and other killer diseases in LDCs by end of the decade; reducing tuberculosis (TB) deaths and prevalence of the disease by 50 per cent by 2010; and by reducing the burden of disease associated with malaria by 50 per cent by 2010

Progress and Constraints

The achievements under this goal is summarized below:

Target 8: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

Indicator	Tuvalu Baseline	Most Recent Status	2015 Target
21. Prevalence and death rates associated with malaria (per 100,000 population)	Malaria is not endemic to Tuvalu		
22: Proportion of population in malaria risk areas using effective malaria prevention and treatment measures			
23. <u>Number of TB cases, new cases and death rates associated with TB</u> (not reported per 100,000 population because of the small population of Tuvalu)	(1990) Total 23 (1990) New 7 (1990) Deaths no data available (2002) Total 13 (2002) New 0 (2002) Deaths 0	(2004) Total 16 (2004) New 0 (2004) Deaths 0	
24. Proportion of TB cases detected and successfully treated under directly observed treatment short course (DOTS)	(2004) Detected 100% (2004) Success 92%		

Source: Indicator 23: WHO, 2002 Death Rate SPC. Indicator 24: WHO
Indicator 21 and 22: Ministry of Health

Priorities

The Ministry of Health should strengthen TB activities through DOTS.

Challenges

Government should continue seeking funding from donor partners to support the above activities to achieve the goal.

15. Goal 19:

Not applicable in Tuvalu as all children are treated equally.

16. Goal 20: Improving the health and nutritional status of infants and children**Progress and Constraints**

Covered under Goal 4

17. Goal 21: Promoting breast feeding as a child survival strategy**Progress and Constraints**

This goal is another one that is not a problem to be achieved in Tuvalu. A national policy on breast feeding existed since 1996, and during 2004, the percentage of breastfed children reached 79 per cent.

Priorities

An awareness programme should be continued for mothers through regular radio programmes and other means.

Challenges

More funding should be sought to fund the programmes.

D. COMMITMENT 4: building productive capacities to make globalization work for LDCs.**1. Goal 22: increasing road networks or connections in LDCs to the current level of other developing countries and urban road capacities, including sewerage and other related facilities, by 2010.****Progress and Constraints**

To date, a tar sealed road has been built on the capital, making it easier to provide the services. The roads in the outer islands remain unsealed, and efforts to improve them have not materialized to date. Other supporting facilities that need developing or upgrading include: provision of a major sewerage system on the capital and in the rural areas (outer islands) and improvement to sanitation.

Transport between the islands was improved with the additional inter-island vessel provided during 2002 by the Japanese Government, adding a vessel to the old inter-island vessel

provided by the United Kingdom in 1988. However, these vessels are old and to date these vessels have no classification due to the lack of maintenance made on them during the past years.

This goal cannot be achieved in 2010.

Priorities

Government should establish cost effective and efficient infrastructure; provide efficient delivery of utilities and other supporting services. It should also improve the poor maintenance of infrastructure and assets, including the establishment of additional supporting facilities.

Challenge

Government should seek the support of donor partners to support the establishment of supporting facilities.

2. Goal 23: Modernising and expanding ports and airports and their ancillary facilities to enhance their capacity by 2010

Progress and Constraints

This goal is a difficult one to achieve in total as financial support from the donor partners is not forthcoming to assist Tuvalu to establish airport facilities. Improvements to cargo handling has now been achieved following the completion in 2009 of the deep-sea wharf on the capital funded by the Japanese Government. The Airport on the capital is due for upgrading under funding from the Japanese government but has yet to be implemented. The present Airport on the capital does not cater for large aircrafts and is a major constraint to the development of exports of marine products.

Priorities

Government should maintain and upgrade the current inter-island vessels so as to be issued with classes to meet maritime international standards. It should also prepare plans for establishing a large Airport in Tuvalu which can accommodate large aircrafts.

Challenge

Government should continue negotiating with donor partners to secure funding support for the establishment of a large international airport, as well as a new inter-island vessel to replace the old one, so as to improve the inter-island transport as well as air transport to overseas destinations.

3. Goal 24:

This Goal is not applicable in Tuvalu.

4. Goal 25: Increasing LDCs communications networks, including telecommunication and postal services, and improving access of the poor to such services in urban and rural areas to reach the current levels in other developing countries

Progress and Constraints

During the financial years 2007 and 2008, Government provided funding assistance totaling A\$1.8 million to the Tuvalu Telecommunication Corporation (TTC) to establish a new telecommunication network; the new network was officially launched in November 2009 and providing a mobile system for the capital; improved phone communication; and an internet service for all islands. The TTC still need additional finance to complete some of the components, including the problems that are occurring with the new network.

Priorities

Government should seek funding from donor partners to provide additional funds to allow TTC to complete the outstanding tasks under the new network.

Challenges:

To achieve the goal to extend the services to all islands of the nation, including schools and businesses.

5. Goals 26 (computer literacy) and Goal 27 (number of phones) are covered in other goals

E. Commitment 5: Enhance the role of trade in development

Progress and Constraints

Tuvalu is a party to the regional trade agreements, PICTA and PACER, but has yet to produce products that can be traded with other countries. Copra used to be exported in the past but in 2000, the production of copra was suspended due to the low world market price for copra at that time. Human exports is the only export item to date and is bringing in remittances thus providing revenues for most of the people in the outer islands, and assisting the Tuvalu economy. Following the global financial crisis, this source of revenue from seafarers has also been affected, as most of the seamen have been laid off as most shipping companies have suffered financial losses. It will be for some more years before Tuvalu can achieve this BPOA commitment.

Priorities

Tuvalu Government should look for other alternative sources of revenue. Trade is the lifeline of any country, including Tuvalu. It is a key vehicle of growth, and as such, the trade component of the national development strategy should be formulated jointly by all ministries concerned, and then integrated in to the overall development strategy. The process would ensure that the synergies between trade and other areas (economic and social) are identified and remedied.

The ongoing Tuvalu Integrated Framework (IF) for trade related development assistance diagnostic integrated study (DTIS) is being developed to provide the basis for setting trade development priorities in Tuvalu.

The Government should take this as an opportunity to enter trading with other countries. The outcome of the study should provide Tuvalu with options to consider, and which could be turned into development projects to enhance the role of trade in Tuvalu's future development.

Challenges

The government should invest funds in the development of the fisheries and the agriculture sectors, aimed at increasing the production of agriculture produce and fisheries products to meet the needs of the domestic as well as the needs of the export markets, providing a pathway for Tuvalu to trade with other countries.

F. Commitment 6: Reducing vulnerability and protecting the environment

Progress and Constraints

Tuvalu has been making headlines for many years in international forum, raising its concerns on the impacts of climate change and sea-level rise on Tuvalu's survival. The failed summit in Copenhagen, where an agreement was only reached between 5 countries, without the other 188 countries including Tuvalu, indicates that Tuvalu will continue to face extreme vulnerability due to climate change and its impacts. Its environment, the low lying atolls, will continue to need protection from coastal erosion from rising tides, and other natural disasters including cyclones and Tsunamis.

This commitment to reduce its vulnerability and to protect its environment will be very difficult for Tuvalu to achieve with its own limited resources. This failure will ultimately lead to poor living conditions and thus increasing poverty amongst its rural population.

Priorities

Tuvalu should continue to seek funding assistance from donor partners to implement appropriate environment programmes to provide environment protection (seawalls, waste management programmes) and other mitigation programmes. Other assistance should also be sought for protection from disasters and Tsunamis.

Challenges

Tuvalu will continue to challenge the developed world to reduce their greenhouse gases so as to maintain the rise in temperature at 1.5 degrees centigrade.

G. Commitment 7: Mobilizing financial resources

1. Goal 28: Donor countries providing more than 0.20 per cent of their GNP as ODA to LDCs: continue to do so and increase their efforts

Progress and Constraints

Government received from the donors 35 per cent of funds in 2005; 28 per cent of funds in 2006 and 32 per cent in 2007.

The funds received in 2008 and 2009 have also decreased. The assistance in the last two years has greatly decreased after the completion of major infrastructure projects during 2008 and 2009, the new Power station and the new deepsea wharf with the associated facilities on the capital, valued in hundreds of millions of dollars. The new infrastructure greatly improved the services, but government needs to provide in its annual recurrent budgets provisions for maintaining these capital assets. Donor funding is needed for major commercial activities in the productive sectors, fisheries and agriculture.

Priorities

Projects need to be properly costed, appraised and subject to budget scrutiny to avoid misuse of donor and public funds. Development funds need to be directed to priority sectors after careful costs benefit analysis.

Challenges

Tuvalu should continue to push the donor partners to meet their commitments to provide 0.20 per cent of their GNP as ODA to LDCs. Tuvalu should continue its efforts to mobilize donor funding to fund its large projects including an international airport with facilities to land large aircrafts.

2. Goals 29 and 30 are not applicable in Tuvalu

IV. IMPACT OF GLOBAL FINANCIAL CRISIS: TUVALU POLICY RESPONSES

The global financial crisis, including the increases in fuel and food prices which began in 2007 and continued to 2008 affected Tuvalu in many ways as described hereunder:

- Remittances from seamen working abroad has traditionally been an important source of income to most families in Tuvalu and are an important part of the Tuvalu Economy. The financial crisis has greatly reduced by 20per cent the remittances from Tuvalu seamen working on overseas merchant ships. The situation greatly impacted the rural people who depend mainly on this revenue source, and also reduced foreign earnings from this revenue source;
- The contracts for Tuvalu seafarers were not extended as most seamen had to be laid off due to the financial crisis; those seamen in employment continued to face problems related to their wages as the payments were made in US dollar currency;
- Government revenues from overseas donors and licensing fees from distant water fishing nations were paid in US dollars, and due to the impacts of exchange rates on the Government's fiscal situation, mostly the A\$/US\$ exchange rate, the net revenues was greatly affected;
- Tuvalu's Trust Fund (TTF) was greatly affected; no automatic distribution is expected until 2013. As the government budget depends also on the revenues from the TTF, careful and prudent management need to be put in place.
- Government was facing difficulties in servicing its debt obligations and cope with the lack of TTF distributions;

- The high food and fuel prices greatly affected the domestic activities and the cost of living – most people, on the capital, were surviving from monies obtained through bank loans or credit purchases.

To mitigate these effects, Tuvalu Government undertook the following:

- Continue to seek alternative sources or employment opportunities for the seafarers by negotiations with shipping companies in Taiwan, and in Europe. To facilitate this, Government opened a Diplomatic Mission in Brussels during 2008. Securing alternative employment opportunities will revive the remittances badly needed by the rural people in the outer islands. Government also implemented development activities in the outer islands to provide employment opportunities for the rural people to earn incomes to meet basic needs;
- Government proposed to provide a food subsidy to the business sector to assist with the increased food and fuel prices during 2009; a budget provision was included in the 2009 National Budget, but this was never implemented for some unknown reasons;
- Government implemented a number of reforms to underpin the management of public finances. Tax reforms became effective in July 2009, to provide a tax regime that is more efficient to offset the requirements of globalization;
- Cabinet also recently approved a policy for reforming public enterprises. A Bill was also past in its first reading by Parliament, giving the reforms a legal framework;
- A debt risk management and mitigation policy has also been endorsed to ensure all future borrowing is subject to a detailed process involving financial analysis, consultation, cabinet approval and eventual approval by Parliament;
- Tuvalu presently does not have legislation to regulate banking. During the December 2009 session of Parliament, a Banking Bill 2009 was passed in its first reading. The Bill will provide a legal framework for managing the financial institutions in Tuvalu;
- Government has sought membership of the IMF and World Bank, to obtain more opportunities for technical assistance and projects, and to meet international guidelines, thus improving Tuvalu's financial management systems.

V. CONCLUSION AND THE WAY FORWARD

The Brussels Programmed of Actions (BPOA) is a complex partnership framework for LDCs and development partners aimed at improving the human conditions of the population of the LDCs; accelerating their sustained economic growth and sustainable development; and eradicating poverty, and inequality in the LDCs. The Commitments under BPOA remained unfulfilled in the Asia Pacific LDCs, as the partnership has not been fulfilled in total by LDCs and their respective donor partners.

For Tuvalu, as seen from the assessment and analysis in section 3 under the respective commitments and goals, Tuvalu has successfully achieved the goals under those commitments that are applicable to Tuvalu. For some of the commitments, some progresses have been made, but more efforts should be made to achieve the goals, as recommended under the respective commitments and goals. The success achieved is due to the fact that the BPOA commitments

fall under the eight development strategies prescribed in “Te Kakeega”, Tuvalu’s National Development Strategy for Sustainable Development (NSSD), 2005-2015. Accordingly, the governments of Tuvalu have used the NSSD as the basis for their development plans.

In the above analysis, it is evident that Tuvalu government has in recent years, made appropriate reforms to meet the constraints being faced, in particular, it has carried out concrete actions to offset the impacts of the global financial crisis; increase in food and fuel prices; the impacts of climate change and sea-level rise; and passed legislation to control and improve financial systems such as banking in the country. Management plans have also been prepared and are being implemented for the management of the Education and the Health sectors in Tuvalu, in an effort to meet the commitments under the NSSD and the BPOA. With the sustained assistance from Tuvalu’s donor partners, under the various existing partnerships, Tuvalu is confident of meeting the BPOA and MDG commitments in the years to come. Local coordination of the efforts to achieve BPOA commitments, amongst the government ministries and the stakeholders, should be strengthened through the establishment of a national taskforce or Committee. Participation at High-level national, regional and global dialogues on the Brussels Programmed of Action is necessary to ensure that Tuvalu is fully aware of its commitments including the possible solutions to achieve the difficult ones.

“If national action must lead the way, international support must light the way” (Mallock Brown, UN Deputy Secretary General). Tuvalu strongly supports this as the WAY FORWARD for LDCs and donor partners to achieve the commitments under BPOA. There is a long way to go before donor countries attain the 0.2per cent of Gross National Income (GNI) ODA target as was agreed upon in Brussels. Increased ODA therefore remains imperative if LDCs, including Tuvalu are to fight poverty, etc., and achieve sustainable development.

VI. RECOMMENDATIONS

The following recommendations are provided to support and facilitate sustainable development and poverty eradication at the national level in the Asia Pacific LDCs, including Tuvalu:

1. The partnership between LDCs and developed partners should be strengthened to avoid repeated implementation problems.
2. Achieving the objective of eradicating poverty by 2010 has been slow and uneven, and as such, concrete efforts should be made to identify the national constraints, aimed at eradicating poverty.
3. Development partners should provide technical assistance for governance at all levels.
4. Developed countries should fulfill their commitments under BPOA or ODA, debt relief, trade and technology to enable LDCs to fulfill their commitments under BPOA. Developed countries should therefore attempt to achieve the target for ODA of 0.15per cent of GNP by 2010, and 0.20per cent of GNI by 2015.
5. Asia Pacific LDCs propose that rural development, agriculture and fisheries be the center of development efforts by their donor partners.

6. Donor partners should provide funding and technical assistance to assist the Asia Pacific LDCs, including Tuvalu to achieve information and communication technologies and health services, including the production of consumer durables.
7. There is a need to protect ODA flows to the poorest and most vulnerable LDCs, including Tuvalu.
8. Implementation, follow up and monitoring mechanisms for BPOA should be strengthened at country level.
9. Development partners are urged to integrate the goals and targets of BPOA into specific measures within national development frameworks, including Poverty Reduction Strategy Papers (PRSPs), UNDAF and ODA.

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