

### 1. Relevance of Assistance

The objective of ODA is to contribute to economic development and improve the welfare of developing nations to create a world where all people can live in a humane manner and in peace. Many island countries, including Tuvalu face challenges such as geographical dispersion, small-scale economy and lack of easy access to international markets ensuing barriers to their economic development. Tuvalu is one of the countries that are most vulnerable to climate change such as rising sea level, flood tide and drought being a low-lying area. Furthermore, the environmental conditions of the urban areas are deteriorating caused by waste problems which have been attributing by rapid urban migration.

Tuvalu has no major industries except for fisheries, and the Government's revenue depends highly on fishing license fee, custom duties and Tuvalu Trust Fund. Therefore, sustainable management of the Fund and diversification of the Government's revenue are necessary for its social and economic development. However, there are difficulties for sustainable economic development and enhancement of governance caused by shortage of capable human resources due to limited opportunities for higher education. Furthermore, Non Communicable Diseases (NCDs) such as diabetes and hypertension and Communicable Diseases (CDs) have burdened people of Tuvalu with medical treatment. Therefore, Tuvalu gives a high priority to countermeasures for NCDs and CDs.

In Tuvalu, there is a lack of proper maintenance and management of economic and social infrastructures including the facilities which were funded under Japanese Grant Aid. Especially, it is important that proper maintenance and management is conducted for maritime transportation infrastructure which is the life line of trade and commerce as well as for daily living.

The Government of Tuvalu embraces a healthy relationship with the Government of Japan particularly in the field of fisheries evident from activities such as Japanese fishing vessels operating in Tuvalu's Exclusive Economic Zone (EEZ) based on the bilateral fisheries agreement. Therefore, it is essential that the Government of Japan continues to support and encourage the efforts of Tuvalu's self reliance and sustainable development and reinforce a dynamic relationship between Tuvalu and Japan.

## 2. Basic Policy of Assistance: Accomplishment of Self Reliance based on the Sustainable Economic Growth with Environmental Consideration

The Government of Japan has been providing assistance to Tuvalu prioritizing the field of environment conservation and climate change. Specific importance is also placed on the improvement of basic social welfare such as education and health, and sustainable economic growth through the development of economic infrastructure based on the Government of Tuvalu's "National Strategy for Sustainable Development 2005-2015" and the assistance policy of the Government of Japan adopted during the Pacific Leaders Meeting (PALM) which has been held every 3 years since 1997.

## 3. Priority Areas

### (1) Environment / Climate Change

The Government of Japan provides support to Tuvalu focusing mainly on the field of environment improvement and conservation by research on long-term measures such as reinforcement of mechanisms of island formation, along with short-term measures including installation of structures.

Additionally, the Government of Japan renders support to improve solid waste management approach to reduce, reuse, and recycle of garbage.

### (2) Overcoming Vulnerability

The Government of Japan provides support to Tuvalu focusing on the improving education by development of higher education facilities and capacity development. Japan also supports the Improvement of health care and medical services for NCD and infectious disease control measures for eradication of Filariasis until 2020.

Furthermore, the Government of Japan provides assistance for the maintenance of existing infrastructures, especially, capacity building for development, maintenance and management of maritime transportation infrastructure. Japan also provides assistance for the promotion of fisheries as the main industry for Tuvalu.

## 4. Point to be considered

- Assistance from the Government of Japan is based on five priority areas stated in Okinawa 'Kizuna' Declaration that was adopted in the Sixth Pacific Islands Leaders Meeting (PALM6) held in May 2012. These are (1) response to natural disasters; (2) environment and climate change; (3) sustainable development and human security; (4) people-to-people exchanges; and (5) maritime issues.
- As stated in Okinawa 'Kizuna' Declaration, the Government of Japan considers its support in line with Okinawa's experiences such as solid waste management and water resource management. Okinawa has similar geographical and

environmental conditions as Pacific Island Countries.

- The Government of Japan takes into consideration the constraints for development, such as geographical dispersion, small-scale economy and lack of easy access to international markets, in providing assistance to the Government of Tuvalu.
- The Government of Japan engages its efforts to implement effective and efficient exchange of views positively with the Government of Australia and New Zealand as main donors to Tuvalu as well as other donors to avoid duplication of support and for harmonization of each aid assistance.

Annex: Rolling Plan for Tuvalu