



## INDEPENDENT EVALUATION OF THE TUVALU COUNTRY PROGRAMME

Key findings from Allen + Clarke

### Results highlights

- New Zealand's support in public financial management has helped Tuvalu achieve balanced budgets and improve the management of its finances.
- Our contribution to renewable energy has shown immediate benefits, including greater reliability of electricity supply in outer islands.
- There are mixed results regarding workforce development; the evaluation recommended that workforce needs are better met by focusing on technical and vocational education and training.

### Context

Tuvalu, with a population of almost 11,000, made up of 9 inhabited atolls and low lying reef islands.

Tuvalu is geographically remote and with limited capacity for growth. It is vulnerable to the predicted effects of climate change. Resilience to climate change is a Government of Tuvalu priority.

### The relationship

New Zealand has a strong relationship with the Government of Tuvalu. We are supporting Tuvalu's ownership of development funding by using Tuvalu systems and institutions.

MFAT has a Development Programme Coordinator based in Tuvalu. The High Commissioner is based in Wellington alongside the Programme team. New Zealand sustains a high level of engagement with the Government of Tuvalu and donor organisations.

### Aid quality

The New Zealand Aid Programme is considered to be highly relevant and well-aligned to Tuvalu's priorities as set out in *Te Kakeenga II and III*. Activity design is largely consistent with principles of development effectiveness. However, New Zealand could better align our priorities with the Government of Tuvalu for education and workforce development.

Our development cooperation is guided by several New Zealand Aid Programme strategies and country-specific agreements. However, there needs to be a focus on our longer-term intent in Tuvalu. This includes clearly setting out clearer outcomes for the Programme and how our work complements and connects with these outcomes. This will enhance predictability and accountability for development results.

# Insights into Economic and Human Development Outcomes in Tuvalu



## Financial management

New Zealand's support in public financial management has helped Tuvalu achieve balanced budgets and improve the management of its finances. Investments include support for the Tuvalu Trust Fund and the Policy Reform Matrix. The Tuvalu Trust Fund is currently valued at around AUS\$153 million.

The Policy Reform Matrix aims to contribute to improving living standards in Tuvalu by increasing the effectiveness and efficiency of public and financial management. This has strengthened systems and enhanced financial management in Tuvalu.



## Fisheries

New Zealand's support in fisheries has helped increase Tuvalu's capacity to engage and promote its interests in regional negotiations on oceanic fisheries. This has contributed to strong revenue growth from fisheries licenses from AUS\$13 million in 2014 to AUS\$26 million in 2015.



## Renewable energy

Renewable energy has seen immediate benefits, including greater reliability of electricity supply in the outer islands and reduced dependency on diesel imports. Longer term benefits will, to a large extent, depend on Tuvalu's ability to effectively plan for, fund and implement necessary infrastructure maintenance and replacement work.



## Trade and labour mobility

The Recognised Seasonal Employer Scheme (RSE) delivers benefits for about 80 participants annually, their wider communities as well as New Zealand employers. The RSE increased access to employment opportunities and is an important source of remittances. However, there is potential for Tuvalu to increase its level of participation and gain greater access to the benefits from RSE.



## Education and training

New Zealand's support in this area primarily consists of the provision of scholarships. The evaluation notes that it is difficult to establish effectiveness in the absence of robust data. The evaluation considers that Tuvalu's workforce needs might better be met by focusing on technical and vocational education and training. Having key staff overseas on scholarships for extended periods contributes to persistent capacity constraints within the government.

## Allen + Clarke recommendations

Allen + Clarke recommended that New Zealand develop a theory of change to inform our strategy for development cooperation in Tuvalu. It also recommended deepening our engagement in strengthening public financial management within the Policy Reform Matrix. Our current support for fisheries should be prioritised and deepened through policy dialogue and further technical advisory support.



This document is informed by Allen + Clarke's independent evaluation of the Tuvalu country Programme completed in 2017

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