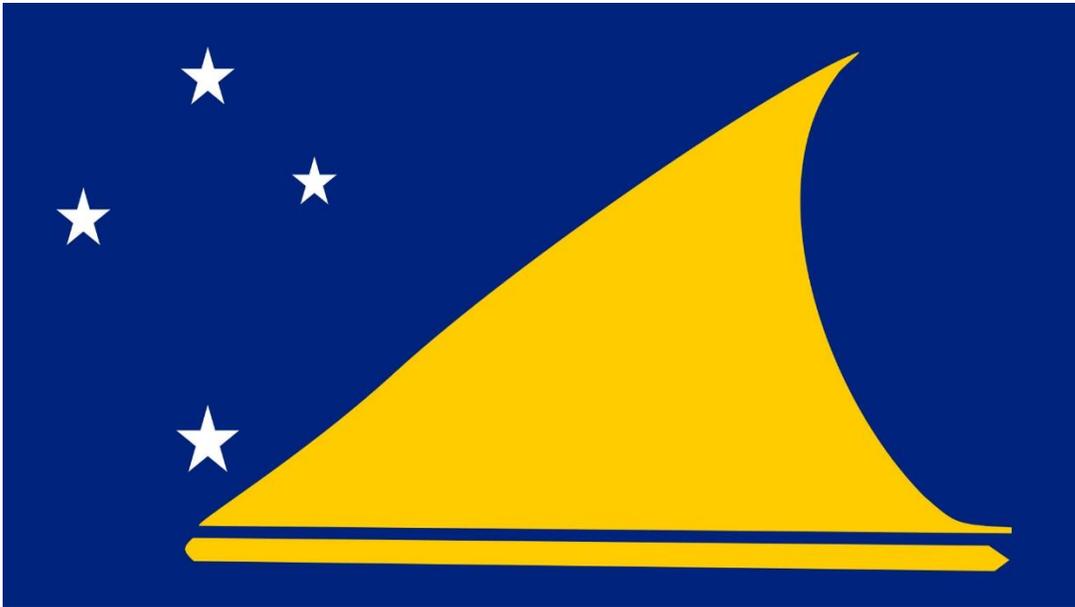




UNITED NATIONS
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Tokelau CCA

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This report has been prepared by the United Nations Resident Coordinator Office (UNRCO) for Samoa, Cook Islands, Niue and Tokelau, with contributions from participating UN agencies. The UNRCO expresses gratitude for all contributions made.



Photo credit: Simona Marinescu.

***Common Country Assessments (CCAs)** have been developed within the framework of the 2030 Agenda with a focus on key development risks and transformational opportunities. Starting with a country context analysis, with a macroeconomic focus, zooming in on specific sectors, gathering evidence from UN agencies, Government and Development Partner official documents and a variety of primary and secondary data sources, the CCA provides an SDG progress assessment with a view of key indicators at risk, a financial and partnership landscape and a multidimensional vulnerability analysis. The CCA concludes with the identification of the most likely and damaging risks to the development process, and the discussion of key development challenges and opportunities that stand to have the most catalytic impact in the achievement of the SDGs in the country. This CCA is to be read in conjunction with the regional analysis of the state of sustainable development in the Pacific Island Countries and Territories supported by the United Nations. The CCA is a living document that will be refreshed annually to reflect evolving trends and integrate new data. Subsequent iterations of the CCA will dig deeper into sociological and anthropological connections to the risks and challenges identified and explore further the pathways for green and inclusive growth in the Pacific.*

Contents

Acronyms.....	4
Country Profile.....	6
I. Country Overview.....	8
II. Progress towards the 2030 Agenda and the SDGs.....	10
National Development Vision.....	10
Data.....	11
Poverty and Hunger.....	12
Health and Education.....	12
Gender Equality.....	14
Water and Sanitation.....	16
Affordable and Clean Energy.....	16
Decent Work and Growth.....	16
Consumption and Production.....	18
Climate Action.....	18
Partnerships.....	18
III. Compliance with Human Rights Standards.....	20
Inequalities.....	21
Labour and Children’s Rights.....	21
Justice.....	21
IV. Multi-dimensional Risk Analysis.....	22
Economic Vulnerability.....	22
Climate Risks.....	23
Land.....	24
Marine Resources.....	24
V. Financial Landscape.....	26
ODA.....	26
Domestic Income.....	28
Conclusions.....	29
References.....	31

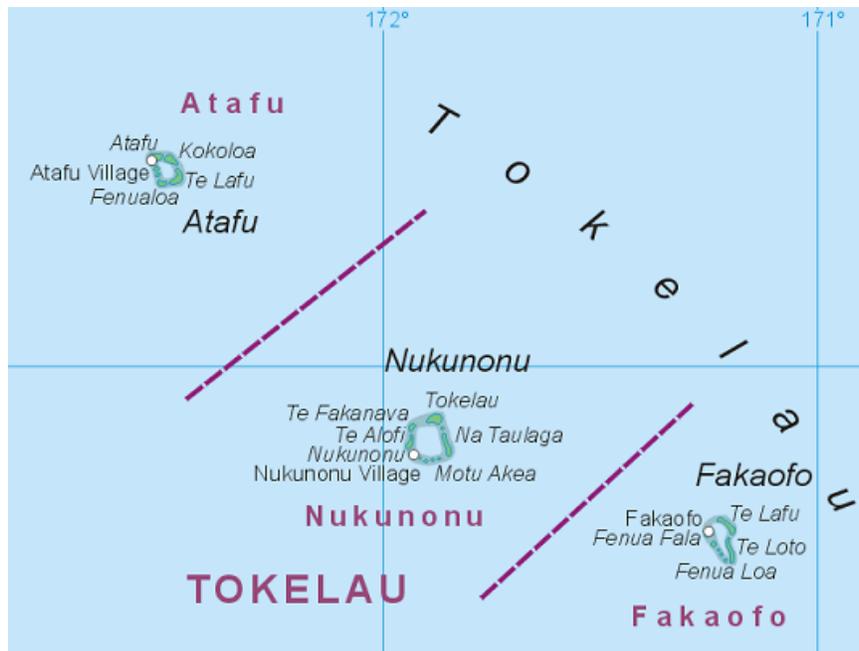
Acronyms

ADB	Asian Development Bank
CCA	Common Country Assessment
CPI	Consumer Price Index
DP	Development Partner
DRR	Disaster Risk Reduction
ECE	Early Childhood Education
EEZ	Exclusive Economic Zone
FAO	Food and Agriculture Organization of the United Nations
FFA	Forum Fisheries Agency
GER	Gross Enrolment Ratio
GPI	Gender Parity Index
HIES	Household Income and Expenditure Survey
IBRD	International Bank for Reconstruction and Development
IMF	International Monetary Fund
IOC-UNESCO	Intergovernmental Oceanographic Commission of UNESCO
MDG	Millennium Development Goals
NER	Net Enrolment Ratio
NSO	National Statistical Office
NSS	National Statistical System
NZ\$	New Zealand Dollar
ODA	Official Development Assistance
PNA	Parties to the Nauru Agreement
PTWC	Pacific Tsunami Warning Centre
PTWMS	Pacific Tsunami Warning and Mitigation System
PTR	Pupil-Teacher Ratio
SEIA	Socio-Economic Impact Assessment
SIDS	Small Island Developing States
SDG	Sustainable Development Goals
SEIA	Socio-Economic Impact Assessment
SNZ	Statistics New Zealand
SPC	Pacific Community
SPREP	Secretariat for the Pacific Regional Environment Programme
TNSP	Tokelau National Strategic Plan
UIS	UNESCO Institute for Statistics
UNCLOS	United Nations Convention on the Law of the Sea
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNFSA	United Nations Fish Stocks Agreement
UNICEF	United Nations Children's Fund
UN RCO	United Nations Resident Coordinator Office



UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
VAWG	Violence Against Women and Girls
VDS	Vessel Day Scheme
WCPFC	Western and Central Pacific Fisheries Convention (WCPFC)
WHO	World Health organisation

Country Profile



Tokelau, known previously as Tokelau Islands, is a small country in the South Pacific Ocean comprised of three coral atolls: Atafu, Nukunonu, and Fakaofu, with a combined land area of nearly 10 square kilometres. Tokelau is a Polynesian word meaning “North Wind”. The total population of Tokelau is estimated to be over 1,600 individuals, making it one of the smallest countries, in terms of population, in the world. Tokelau’s Exclusive Economic Zone (EEZ)

covers 300,000 sq. km. The country uses the New Zealand Dollar (NZ\$) as currency of exchange.

A non-self-governing territory of New Zealand, Tokelau’s legislative and administrative powers have been delegated to the Taupulega (Village Council) to manage, and issues of national interest to the General Fono (National Assembly) since 2004. Tokelauans are citizens of New Zealand by birth. As a result, many young job seekers emigrate to New Zealand and Australia, leaving behind children and the elderly.

With no air transportation, the only means of accessing the country is by sea. There is a regular ferry service from Samoa for passengers and supplies that takes around 24-30 hours, one way. Strengthening the transport infrastructure through improvements to inter-atoll connectivity, shipping between Tokelau and Samoa, and establishing an appropriate air service is one of the key priorities of the Government.

As of November 2021, Tokelau remains completely free of COVID-19, with no confirmed cases reported. A total of 2,390 vaccine doses have been administered in the country as of October 12, 2021, resulting in almost universal full vaccination coverage of adult population.¹

¹ Pacific Community (SPC) Public Health Division data in Live COVID-19 Vaccination Tracker. <https://covidvax.live/en/location/tkl> accessed on 11 November 2021.

Key Statistics for Tokelau

Population & Demographics	Value	Year
Total population ²	1,607	2021
Children Population, 0-17	530 (35%)	2021
Life expectancy at birth, male/female ³ (years)	68/70	2005
Population growth rate (%)	-0.33	2021
Poverty & Inequality		
Median household income, NZ\$/US\$	17,500/12,500	2016
Share of people with <i>low</i> self-reported life satisfaction, % ⁴	2.5	2016
Economy		
Gross Domestic Product (NZ\$/US\$, million) ⁵	17.7/12.7	2018
Inflation (%) ⁶	4.0	2020 est.

² SPC. 2020. Pacific Islands Population Poster.

³ Ibid.

⁴ Tokelau National Statistics Office and Stats NZ. 2017. Profile of Tokelau: 2016 Tokelau Census of Population and Dwellings.

⁵ Tokelau Department of Finance. <https://www.tokelau.org.nz/site/tokelau/files/TokelauNSO/GDP/Tokelau2006-17toOECD.xlsx>.

⁶ US Government. October 2021. Tokelau. The World Factbook. Central Intelligence Agency (CIA).

I. Country Overview

Tokelau, a non-self-governing territory, has been administered by New Zealand since 1926. Located about 500 km to the north of Samoa, it comprises three coral atolls separated from each other by 50-100 km of open ocean. The country's leadership and capital rotate annually between the three atolls. Tokelau is by population one of the smallest nations in the world.

The Administrator of Tokelau, a statutory position, is held by a New Zealand senior public servant and is appointed by the Minister of Foreign Affairs. The Administrator has technical responsibility for the administration of Tokelau's executive government as set out in the Tokelau Act 1948 (as amended) and the Tokelau Administration Regulations 1993. In practice, however, through a progressive transfer of authority and responsibility over the past decade, Tokelau is largely self-governing with a system of government based on traditional village leadership.

The position of Ulu-o-Tokelau, the Titular Head of State, is rotated among the leader of each atoll (the Faipule) on an annual basis. The General Fono (national assembly) meets three times a year and is made up of elected representatives from each atoll. Executive authority rests with the Council of the Ongoing Government of Tokelau which is based in Apia, Samoa. Tokelau does not have opposition parties.

Every three years sees the election of a Faipule (Village Head) and a Pulenuku (elected Mayor) who directs village activities. Members of the General Fono or National Assembly are also elected at three-year intervals to deal with national issues. Between the General Fono meetings, the three Faipule and three Pulenuku (mayors) meet as the Council for the Ongoing Government of Tokelau which forms the tie between the traditional village governing structure and the national government.

The Ulu-o-Tokelau is the head of the national government. The Ulu chairs the Council for the Ongoing Government of Tokelau while the Chairman of the General Fono is elected by Fono members. The General Fono meets in three sessions of approximately four days during the year. Elections for General Fono representatives are held every three years. The Tokelau Amendment Act passed by the New Zealand Parliament in 1996, which came into force on 1 August of that year, conferred on the General Fono the authority to make rules for the peace, order and good government of Tokelau, including the power to impose taxes. The Rules of the General Fono have legal effect in Tokelau. Although Rules may be disallowed by the Administrator within a particular period of time, in practice this power has never been exercised.

New Zealand statute law does not apply to Tokelau unless it is expressly extended to Tokelau. In practice, no New Zealand legislation is extended to Tokelau without Tokelauan consent.

Migration is a significant population issue in Tokelau. A negative migration rate of -2.0%⁷ coupled with a negative population growth rate of -0.33% raises the per capita costs of providing public services. The impact of migration on ageing is another concern in Tokelau. According to UNFPA population estimates, at least 12% of Tokelau's population is 60 years and older. 55.9% of the population is aged under 30. Approximately 8,600 Tokelauans live in New Zealand. The high outmigration and negative population growth accelerate ageing of Tokelau's society.

Tokelauans can work in New Zealand, as they are New Zealand citizens by birth and have the same rights as other New Zealand nationals. This generates the possibility of seeking job opportunities abroad (mostly in New Zealand and Australia), and results in the receipt of remittances at home. For the young population transitioning into adulthood, further education and employment opportunities in New Zealand are attractive.

Tokelau enjoys extensive overseas development assistance from New Zealand that surpasses its GDP (see the Financial Landscape section). New Zealand's aid allocation to Tokelau was nearly NZ\$38M in 2018/19 and NZ\$16.4M in 2019/20, averaging at NZ\$27.2M per year.

Unlike other Pacific countries, Tokelau's economic model does not depend on tourism. The island is thus less prone to the current tourism-driven, COVID-19-related economic decline affecting other countries in the region. The distance to the nearest capital makes the country more dependent on the viability of its own agriculture and fisheries productivity, than on tourism.

Health and education services are relatively well funded in Tokelau. Healthcare, medicines, and educational services are provided free of charge, and each atoll has a school and hospital. In addition, a traditional communal welfare system provides extra protection for those in need. However, challenges remain in education due to geographic isolation and shortage of qualified teachers, leading to issues in education quality, completion, and outcomes.

Tokelau has been at the forefront of calls to reduce global CO₂ emissions. In 2015, a national Climate Change Program Manager was appointed to realign national sustainable development priorities with the climate change agenda. In addition, a national waste management strategy is also in place. Tokelau is also a leader in renewable energy, being the first 100% solar-powered nation in the world since 2012.

⁷ United Nations Population Fund (UNFPA). April 2014. Population and Development Profiles: Pacific Island Countries.

II. Progress towards the 2030 Agenda and the SDGs

National Development Vision

Tokelau expressed its national development vision through the National Strategic Plan (TNSP) 2010-2015. The TNSP presented the development vision for Tokelau and identified its medium-term national development goals for the financial periods 2010/11 – 2014/15. Tokelau’s strategic vision reflected the aspirations of her people for cultural, economic and social development in the future.

The Vision was “Healthy and Active Communities with Opportunities for All.” It articulated 4 policy outcome areas with strong linkages to the MDGs: Good Governance [which includes Public Sector Management, Financial Management, Law and Justice, Monitoring and Evaluation, Goals, Targets and Indicators]; Infrastructure Development [Energy, Transport, Telecommunications, Water and Sanitation and Food Security]; Human Development [Health, Education, Community-based Organisations, Human Resource Capacity and Development]; and Sustainability [which comprises of Village Economic Development, Small Business Development, Tourism, Language and Cultural Heritage, Agriculture, Fisheries, the Environment, Waste Management and Disaster Risk Reduction (DRR)].

The second Tokelau National Strategic Plan⁸ (2016-2020) retained the vision of its predecessor and the Good Governance, Human Development, Infrastructure Development and (economic) Sustainability pillars, with an additional policy outcome on Climate Change (Environment and DRR), more focused and aligned with the SDGs. The second Plan wanted to have an infrastructural development focus, seeing significant infrastructure as enablers to support service delivery. Tokelau’s Interim Strategic Plan 1 July 2020 – 30 June 2021 bridges the gap between the former and the next strategic planning instrument.

The new Tokelau National Strategic Plan 2021-26 “Thriving communities with equal opportunities for all” will undoubtedly pave the way for making progress across many SDG areas highlighted in this Assessment. The Plan focuses on eight strategic goals for the 2021 - 2026 journey, which are to: (i) Strengthen Governance and Leadership; (ii) Improve Public Finance Management; (iii) Improve Health Service Delivery; (iv) Improve Education and Learning; (v) Strengthen Infrastructure and Utilities; (vi) Strengthen Environment and Climate Change Resilience; (vii) Strengthen Management of Tokelau’s Fisheries Resource; (viii) Enhance Social Cohesion. This is a very solid and ambitious development agenda.

The umbrella planning framework is complemented by the National Plan for Women (see section on SDG 5), the Strategy on Resilience⁹ (whose mission is to provide Tokelauans with climate change and related hazards’ intelligence services to enhance their safety, resilience, freedom,

⁸ Office of the Council for the Ongoing Government. 2016.

⁹ Office of the Council for the Ongoing Government. April 2017. Living with Change (LivC): An Integrated National Strategy for Enhancing the Resilience of Tokelau to Climate Change and Related Hazards 2017-2030.

sustainability, healthy ecosystems and well-being, and economic prosperity in the face of change), the National Water Strategy¹⁰, the Tokelau National DRR Plan and other planning, programming and policy instruments.

Data

Along the different sections of this Assessment, data gaps have been highlighted where relevant. The problem is systemic and chronic. The National Statistical Office (NSO) has made significant progress since the first statistics strategic plan was developed in 2009. The Statistics Rules 2013 provide the legislative framework to support a National Statistical System (NSS) operating in a way that is consistent with the UN Fundamental Principles of Official Statistics. The NSO is also responsible for the co-ordination of Tokelau's statistical activities. Stakeholders support the NSO as the producer of core official statistics across all sectors. However, there is a need to strengthen the statistical capability of each sector to undertake the production of ad hoc statistics that are not available through the official statistics systems. The technical advice that is currently provided by the NSO is highly valued and demand is likely to grow. The HIES has been a new source of data for Tokelau decision making and international comparisons.

The Consumer Price Index (CPI) is well established and is being produced quarterly. The commitment to a five-yearly Population Census (required in the Statistics Rules) and repeating the HIES means that priority should be given to these surveys rather than new developments. The support from Statistics New Zealand (SNZ) is key as is the partnership with SPC. No official statistics are produced by departments other than the NSO. Most statistical outputs are based on the census, CPI, STEPS and statistics derived by international agencies.

The number of births and deaths in Tokelau are recorded by the hospitals. The ongoing statistics that are produced have all been developed with international partners. The Consumer Price Index (CPI) was developed with support from SNZ and is produced by the NSO. The Census was processed and analysed by SNZ. The HIES was processed and analysed with assistance from the SPC. The gaps that have been identified¹¹ include some core population indicators, statistics relevant to economic development, the environment, natural resources and poverty. These gaps are relevant for providing indicators for the Sustainable Development Goals. Statistics based on imports are important for analysing whether consumption is consistent with good dietary and health requirements. Statistics on fisheries, climate change, waste management, water management, disaster risk reduction, food security, biosecurity and water management are essential.

Tokelau is producing some statistics. For example, statistics on water, sanitation and waste management were published after the 2011 Population Census. Strengths of the NSO include

¹⁰ Supported by UNDP in partnership with the Secretariat for the Pacific Regional Environment Programme (SPREP)

¹¹ National Statistical Office and PARIS21. December 2015. Assessment of Tokelau's National Statistical System.

robust statistical rules (legislation) and NSO capacity. Weaknesses refer to staff numbers, reliance on partners for unpaid technical advice, support and analysis, no statistical ICT and data management systems. A straightforward measure of poverty, measuring births and deaths in Tokelau and the measurement of permanent and long-term departures to and from Tokelau, international trade statistics, an annual GDP measure, a statistical framework for environmental and natural resources statistics would be some of the priorities.

Poverty and Hunger



Tokelau has met most of its Millennium Development Goals (MDGs), with the exception of MDG 7 (Ensure Environmental Sustainability) and MDG 8 (Global Partnership for Development). Extreme poverty and hunger are reported not to exist on the island.¹² According to 2014 data, there are no Tokelauans living below the basic needs (extreme) poverty line. However, the 2016 census found that 22% of households report to have inadequate incomes. Traditional community practices appear to provide security against food poverty.

Tokelau does not have its own national social assistance schemes. As New Zealand citizens, all Tokelauans have access to all of New Zealand's social security benefits if they are resident in New Zealand, a factor that encourages emigration.

There is no information about stunting, wasting, anaemia, overweight or infant and young child feeding practices in Tokelau. Like for other areas, there are significant shortcomings in the availability of data that is disaggregated to a standard that can enable full assessment of progress toward the 2030 Agenda. There are significant gaps in information on life expectancy among various groups, among many other variables. Limitations in historical data mean that time series and measurement of improvement over time, as called for under the 2030 Agenda, are impossible.

Health and Education



The aspiration of the Tokelau National Development Plan (2016-2020) is for every Tokelauan to be healthy and active with access to opportunities for a decent quality of life.¹³ Improved Health, Education and Social wellbeing outcomes are well captured in the Human Development goal of the National Development Plan.

¹² United Nations in the Pacific. 2017. United Nations Pacific Strategy 2018-2022. A Multi-Country Sustainable Development Framework in the Pacific Region, page 127.

¹³ The draft of the new 2021-2026 National Development Plan also puts a strong emphasis on enhancing education and health outcomes.

Health and education services are relatively well-funded, and healthcare, medicines and educational services are provided for free. The Tokelau Health Department manages the provision of health care services to the population. Each atoll has a school and hospital, and a traditional communal welfare system provides extra protection for those in need. However, NCDs are a real threat to the health and wellbeing of Tokelauans. The provision of education on Tokelau presents many challenges, most of which are related to the fact that Tokelau is isolated and transport and telecommunication services are unreliable. Like many other nations in the Pacific region, Tokelau faces a shortage of qualified and experienced teaching staff.¹⁴

Tokelau has achieved the SDG targets for maternal, neonatal and under-five mortality. Life expectancy is one of the highest in the Pacific region,¹⁵ and there have been no maternal, neonatal, infant or under-five mortalities for many years.¹⁶ There is high antenatal service coverage, estimated at 100 per cent, with all deliveries that take place in Tokelau are attended by a skilled midwife.¹⁷ High-risk pregnancies are referred to Samoa or New Zealand. Tokelau's total fertility rate is estimated at 2.1, while adolescent birth rate is estimated at 30 births per 1,000 women aged 15-19. There is no data on the contraceptive use prevalence rate. There is no recent data on overweight and obesity in adults. However, data from 2013 estimated these to be very high (85.9% overweight, 61% obese).¹⁸ There are significant data gaps on teenage pregnancy, incidence of cancers and other non-communicable diseases, and violence against women, *inter alia*.

Tokelau has a 100% coverage for child immunization. The 2009 H1N1 influenza pandemic did not affect Tokelau in part because of its strong immunization program and good preparedness.¹⁹ Tokelau suffers a high risk of infectious diseases (2020 data) food or waterborne (bacterial diarrhea) and vector borne (malaria), a very high use of tobacco (50% of the adult population are smokers), which in addition to poor health outcomes, produces a negative impact on inflation through volatile pricing and imports. Tokelau has introduced new tobacco taxation measures and created an NCD task force.

Early Childhood Education (ECE) is free, with responsibility for enforcing attendance held by the Taupulega on each atoll. The data available on enrolment in ECE vary, but a number of reports over the last five years all put it above 90%. Primary education consists of six years (Years 1-6), for children from the age of five to 11. The most recent data available show that the primary education gross enrolment ratio (GER) was 132.5% in 2019, with 1.2% of pupils enrolled in primary education being at least 2 years over-age for their current grade. The net enrolment ratio (NER) in 2019 was reported to be 97%, indicating near universal enrolment.²⁰

¹⁴ Government of Tokelau. [Department of Education](#). 2021.

¹⁵ SPC Pacific Islands Population Poster 2020, Op. Cit.

¹⁶ World Health Organization (WHO). 2013. Human resources for health country profiles: Tokelau.

¹⁷ SPC Indicator Tables. 2017.

¹⁸ Tokelau Health Department and WHO. 2013. Tokelau NCD Risk Factors STEPS Report.

¹⁹ WHO. 2017. Country Cooperation Strategy for Tokelau 2018-2022, page 38

²⁰ United Nations Educational, Scientific and Cultural Organization (UNESCO) Institute for Statistics (UIS). <http://data.uis.unesco.org> [accessed 14/09/2021]

GER across secondary level in 2019 was 114%. However, NER at upper secondary was only 59%, suggesting issues of retention.²¹ At both primary and secondary levels, the Gender Parity Index (GPI) for GER was 1 in 2019, indicating equity of access to both boys and girls. However, the GPI differences for GER between secondary levels are significant, with the GPI of 0.9 for lower secondary changing substantially to 2.4 for upper secondary education. Upper secondary NER data from the same year indicates a GPI of 1.5, suggesting that significantly higher rates of girls than boys are enrolled in upper secondary education in Tokelau.²²

Class sizes are small, with a pupil-teacher ratio (PTR) of 5.7 at pre-primary level, 9.3 at primary level, and 11.1 and 3.9 at lower- and upper-secondary levels respectively. On the other hand, the discrepancy between the 11.1 and 3.9 PTRs between lower- and upper-secondary education indicates that schools have the capacity to support a greater proportion of lower-secondary student schools through to the completion of Year 13. Only 20% of teachers are trained for secondary education. Attainment of literacy and numeracy skills (competency) remains a challenge. In 2018, only 68% of children at the end of primary level obtained minimum proficiency in literacy, and 67% reached competency in numeracy.²³

Legislation on inclusive education to support students with disabilities was introduced in 2018, with the “Tokelau Inclusive Education Policy” and special/inclusive education being a mandatory part of teacher training.

Data on education completion, outcomes, tertiary education, and adult education would be needed to better inform strategies to enhance quality and relevance of education, and to ensure multiple learning pathways for lifelong learning.

Gender Equality



Tokelauan women are principally engaged in agriculture and fisheries, for both subsistence production and income generation, and thus play a major role in anti-poverty and food security interventions. Women are also increasingly present in public service jobs and outnumber men in the sale of handicrafts and other self-employment in micro-enterprises.

At its March 2010 session the General Fono endorsed the National Policy and Action Plan for the Women of Tokelau, 2010-2015. The plan aligns with Tokelau's overall approach to link economic and social issues to an ongoing development of local institutions of government. However, it has not been updated since 2016, although its provisions remain valid. They specifically reflect the distinct needs of girls and women with disabilities, including:

²¹ Status of Pacific Education Report 2020, SPC EQAP, 2021. Retrieved from: <https://pacref.org/wp-content/uploads/2021/04/Status-of-Pacific-Education-Report-2020.pdf> (page 13).

²² UNESCO UIS, Source: <http://data.uis.unesco.org> [14/09/2021]

²³ SPC. 2021. SDG 4 Dashboard. Pacific Data Hub.

- National and local action to mainstream gender equality considerations in all policies, planning and programmes, and strengthen the mechanisms responsible for the advancement of women
- Access to quality healthcare and reproductive health services for all women and girls
- Increased access to formal and non-formal education and training for women and girls, including in small business and microfinance management
- Greater awareness and understanding among all women of their legal rights, access to them and how to protect them, and of the “true culture and traditions” of Tokelau
- Documentation of women’s contribution to safeguarding the environment, and action to ensure their equal participation in environmental protection and resilience.

However, the lack of disaggregated data is a severe constraint to measurement of progress against the goals on gender equality and women’s empowerment. Within public sector employment rules and regulations, there is a provision for limited maternity leave. During village consultations on the Public Service Human Resource Manual in early 2013, a number of requests were made for amendments to be considered in this area, including extending the provision to women employed for less than a year, and for women to continue to receive pay during the first two months of maternity leave, instead of receiving a grant after two months of returning to work.

Women’s participation in national and local governance is low: at the national level (the General Fono) women’s participation is 17.6%; at the village level, on Atafu it is 0%, on Fakaofu it is 6.6%, and on Nukunonu it is 13%, well below global standards. The National Women’s Council aims to enhance women’s participation in the economic, social, and political arenas, mainly at the national and regional level. The 2014 national elections were the first to see a woman elected as a member of the Cabinet and appointed as a Minister. At the village level, women are members of the Taupulega, the highest decision-making body in the villages, indicating further potential for women’s leadership in Tokelau.

There is little to no data on the prevalence of violence against women in Tokelau. However, it is recognized that the problem does exist.²⁴ Violence against women and girls remains under-reported, despite it being prioritised in the National Policy for Women 2010–2015. A 2017 report by the United Nations Children’s Fund (UNICEF) found that traditional norms are generally permissive of violence against women and children and dissuade against domestic violence cases being reported to formal justice authorities.²⁵ A 2006 study by the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) found that people are reluctant to seek assistance with personal problems because of the difficulty of preserving confidentiality in such small communities. There is also a lack of counselling and social work capacity, with the only sources of assistance being the clergy, health professionals and teachers.²⁶

²⁴ National Policy for Women of Tokelau in UNDAF country assessment.

²⁵ UNICEF, December 2017. Situation Analysis of Children in Tokelau.

²⁶ United Nations Entity for Gender Equality and the Empowerment of Women (UN Women). July 2011. Ending Violence Against Women and Girls. Evidence, Data and Knowledge in Pacific Island Countries. Literature Review and Annotated Bibliography. 2nd Edition. July 2011. Citing McMurray, C. 2006. McMurray, Tokelau. A Situation Analysis of Children, Women and Youth, p. 36.

Water and Sanitation



Almost all households (99%) enjoy access to basic water services, while 97% have access to basic sanitation. Very little data is available regarding hygiene indicators (i.e., availability of hand washing facilities with water and soap).²⁷ There is a need to bolster the resilience of islands' freshwater infrastructure. Tokelauan water infrastructure is focused on rainwater collection, but increasing droughts diminish available water. Enhancing rainwater harvest efficiency, improving storage facilities, and boosting water quality by installing first-flush diverters form part of a National Water Management Strategy formulated by the Government.²⁸

In terms of water, sanitation and hygiene (WASH) in health care facilities, in Tokelau 100% of healthcare facilities have access to basic water and basic sanitation services, and 67% are reported to have medical waste management arrangements in place. However, further assessment is needed on the other two components of WASH in health care facilities, namely hygiene and environmental cleaning.²⁹ No data is currently available for WASH in schools.³⁰

Affordable and Clean Energy



Tokelau is a leader in renewable energy, being according to the New Zealand Government, the first 100% solar-powered nation on the planet since 2012.³¹ Prior to that, the islands were 100% dependent on diesel generators at high environmental and economic cost. Power was only available for about 16 hours per day.

Decent Work and Growth



Tokelau's small landmass, reduced population and isolation greatly restrain economic development and confine agriculture to the subsistence level. The local economy largely revolves around small-scale enterprises for copra production, woodworking, plaited craft goods; stamps,

²⁷ The WHO/UNICEF Joint Monitoring Programme (JMP) for Water Supply, Sanitation and Hygiene (JMP). <https://washdata.org/data/household#!/>

²⁸ UNDP Press Release. November 2014. <https://reliefweb.int/report/tokelau/healthy-tokelau-improving-water-security-household-and-community-level>.

²⁹ JMP, <https://washdata.org/data/healthcare#!/>

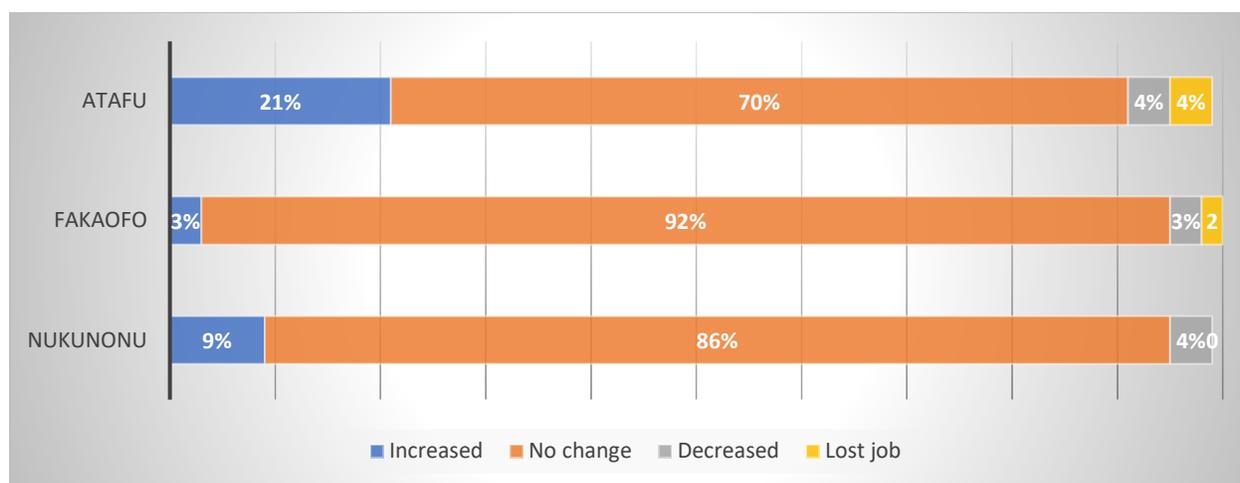
³⁰ JMP, <https://washdata.org/data/school#!/>

³¹ BBC News Asia. 7 November 2012. <http://www.bbc.co.uk/news/world-asia-20233754>

coins; and fishing. The labor force is estimated at 1,100 people.³² Tokelau has a modern satellite-based communications system; 2G is widespread with some 4G LTE service; satellite services have improved with the launch of the Kacific-1 satellite in 2019. There is radiotelephone service between islands, 21 fixed-line telephones per 100 persons (2019), and a landing point for the Southern Cross NEXT submarine cable linking Australia, Tokelau, Samoa, Kiribati, Fiji, New Zealand and Los Angeles, CA (USA).

The Socio-economic Impact Assessment (SEIA) conducted by UNDP and the Government of Tokelau in November 2020 has found that the effect of COVID-19 lockdown on employment, as measured by the change in number of hours people devoted to paid work, was minimal.³³ Respondents from only two households (4%) in Atafu and one (2%) in Fakaofu reported losing their jobs since the imposition of lockdown in response to COVID-19, and a similarly small proportion of households reported a decrease in hours devoted to paid work during the pandemic.

Change in Number of Hours Devoted to Paid Work since COVID-19 Lockdown



Source: Tokelau SEIA Report

The majority of households reported no change in their work hours, while nearly a fifth of the households in Atafu even reported an increase in their working hours during the crisis, which could be a reflection of people switching to traditional practices (subsistence agriculture and fishing). Similarly, there was no change in average wages, while less than 10% of the households across all three atolls reported a decrease in total income. In summary, the impact of COVID-19 on the local economy in Tokelau seems to have been negligible, which is likely a reflection of its isolation before as well as during the pandemic outbreak.

³² CIA, Op. Cit.

³³ Tokelau National Statistics Office. January 2020. Second Version. Tokelau Household Income and Expenditure Survey (HIES) 2015-2016. And UN RCO in Samoa. December 2021. Tokelau COVID-19 Socio-Economic Impact Assessment (SEIA) Report.

Consumption and Production



A national waste management strategy is in place, in partnership with Samoa, to transport solid waste out of the country – a very high priority given Tokelau’s land area of only 10 sq. km.

Climate Action



Limited environmental data are available, including impacts of disasters on women and men. On the environmental front, Tokelau has expressed a strong commitment to climate action. In 2015, a national Climate Change Programme Manager was appointed to realign national sustainable development priorities with the climate change agenda. In the absence of a formal climate-change adaptation strategy, Tokelau’s strategic objective is to ensure that it is fully included in the New Zealand climate-change adaptation and mitigation work programme. Tokelau relies on the national Disaster Risk Reduction Plan to mitigate the impact of climate change on the smaller atolls. The country has placed strategic importance on renewable energy and has installed solar power plants and coconut biofuel-powered generators to make the country the world’s first truly renewable nation.³⁴

Partnerships



In 2003, the Governments of New Zealand and Tokelau signed the Joint Statement on the Principles of Partnership, which sets out the medium- to long-term context in which work can be carried forward on Tokelau’s constitutional and other development. The Principles of Partnership affirm the partners’ shared values of human rights, commitment to good governance and respect for the rule of law. Under the Principles of Partnership it is agreed that New Zealand and Tokelau will hold joint senior-level talks at least once a year and that these talks will cover issues of concern to both partners, including those related to Tokelau’s progression towards self-determination.

New Zealand recognises Tokelau’s unique language and culture as a source of its strength and identity, and as the key element that distinguishes Tokelauans from other groups. New Zealand and Tokelau are committed to ensuring the retention and development of Tokelauan culture. The document also acknowledges New Zealand’s obligation to provide economic support to Tokelau.

³⁴ Tokelau, Current Forecast: Tokelau And A Changing Climate. <https://cop23.com.fj/tokelau/>

Under the Principles of Partnership New Zealand will remain responsible for the defence and security of Tokelau and discharge this responsibility in consultation with Tokelau.

New Zealand will also continue to enter into international agreements on Tokelau's behalf, but only after prior consultation with Tokelau. New Zealand encourages at the same time Tokelau to continue playing a full and active role in regional affairs. Under the agreement, the partners recognise the benefit of a continuing engagement with the Tokelauan community in New Zealand to maximise the potential of the Tokelauan community in New Zealand to provide support and assistance for Tokelau. Lastly, the Principles of Partnership document recognises that Tokelau has the right to determine its own destiny and that New Zealand has a responsibility to actively support the process of self-determination in Tokelau's best interest. This is also consistent with New Zealand's obligation, in terms of Article 73 of the UN Charter, to work with Tokelau towards an act of self-determination.

“From the 1960s, following the path of many Pacific countries, New Zealand worked with Tokelau to establish a model of government (based on a national legislature and a national public service). In recent years Tokelauans made it clear that they would prefer the source of authority on Tokelau to be the Taupulega (village councils of elders – the traditional governing authority). The desire to return to a system of self-government based on the village led to the decision to transfer the Administrator's authority to the three Taupulega, which now manage all services at the village level and have delegated authority to the General Fono and Council for Ongoing Government to decide issues of national and international significance. This approach is distinct from the Westminster system and is more suited to the Tokelauan context.”³⁵

³⁵ Government of Tokelau. 2021. Political System. Bilateral Relationship.
<https://www.tokelau.org.nz/Tokelau+Government.html>

III. Compliance with Human Rights Standards



Human rights were not mentioned in Tokelau’s legislation until the “Human Rights Rules” (2004) which were incorporated as Article 16 of Tokelau’s Constitution endorsed by the General Fono following the second referendum in 2007. Article 16 claims the individual human rights for all people in Tokelau as those stated in the Universal Declaration of Human Rights and implemented in the International Covenant on Civil and Political Rights. It determines that the rights of individuals in Tokelau shall be exercised having proper regard to the duties of other individuals, and to the community to which the individual belongs. It finally provides a procedure for redress, if a person thinks that one of their human rights has been denied or may be denied, that person may apply to the Council for the Ongoing Government for protection of that rights.

Referenda were held in 2006 and 2007, with UN support, submitting to the electorate that Tokelau adopt self-government in free association with New Zealand. Both referendums narrowly failed to pass the two-thirds majority of votes required to pass the constitutional change. Tokelau therefore remains a dependent territory of New Zealand and is considered to be a non-self-governing territory under Chapter XI of the United Nations Charter.³⁶

The self-administering territory of New Zealand may move toward free association in the future. During the 73rd UN General Assembly, New Zealand expressed before the Special Political and Decolonisation Committee (fourth committee) that during that year (2018) it had scaled up the position of Administrator, increased the size of the development programme in Tokelau; and strengthened the political engagement. New Zealand recalled that “In his statement to the C24 in June, the Ulu noted that while Tokelau is very much committed to self-determination, it will be several years before the issue of another referendum on self-government is considered by the General Fono (...) If Tokelau were to become a state with free association with New Zealand (like Niue or Cook Islands, for example), the government would be able to ratify international treaties under their own name.”

International treaties that apply to Tokelau include the International Covenant on Civil and Political Rights (ICCPR) and its two optional protocols; the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW); the United Nations Convention Against Torture; the International Covenant on Economic, Social and Cultural Rights (ICESCR); and the International Convention on the Elimination of All Forms of Racial Discrimination (ICERD).

³⁶ The Electoral Knowledge Network. Administration and Cost of Elections (ACE) Project. Tokelau Referendum on Self-Government. 2007. EISA, Elections Canada, IFES, IIDEA, UN, INE, UNDP, The Carter Center. <https://aceproject.org/today/feature-articles/tokelau-referendum-2007>.

Inequalities



A report by the United States' Department of Labor found no evidence of forced child labor in Tokelau in 2019. However, it also noted that the government has made no progress in efforts to prevent child labor, as there are no legal protections to prevent the worst forms of child labor. The law does not criminally prohibit forced labor. Tokelau has not established a minimum age for work and does not prohibit hazardous occupations for children.³⁷

Labour and Children's Rights



None of the key international conventions on the rights of the child ratified by New Zealand have been made applicable to Tokelau, including ILO Convention 138, Minimum Age of Work; ILO Convention 182, Worst Forms of Child Labor; the UN Convention on the Rights of the Child (CRC); the UN CRC Optional Protocol on Armed Conflict; the UN CRC Optional Protocol on the Sale of Children, Child Prostitution and Child Pornography; and the Palermo Protocol on Trafficking in Persons.³⁸

Justice



Tokelau has in each island a Village Court and a Law Commissioner who administer criminal matters. However, jurisdiction of the Law Commissioners is limited – they have power only in respect of offences punishable by a fine (of any amount) or a term of imprisonment of less than one year. The maximum sentence that a commissioner can impose is a NZ\$150 (US\$107) fine or a 3-month imprisonment. Serious offences are referred to the High Court of New Zealand. In practice, however, no dispute has ever been litigated outside Tokelau.

³⁷ U.S. Government. 2020. 2020 Findings on the Worst Forms of Child Labor. Tokelau. Bureau of International Labor Affairs. U.S. Department of Labor.

³⁸ Ibid.

IV. Multi-dimensional Risk Analysis

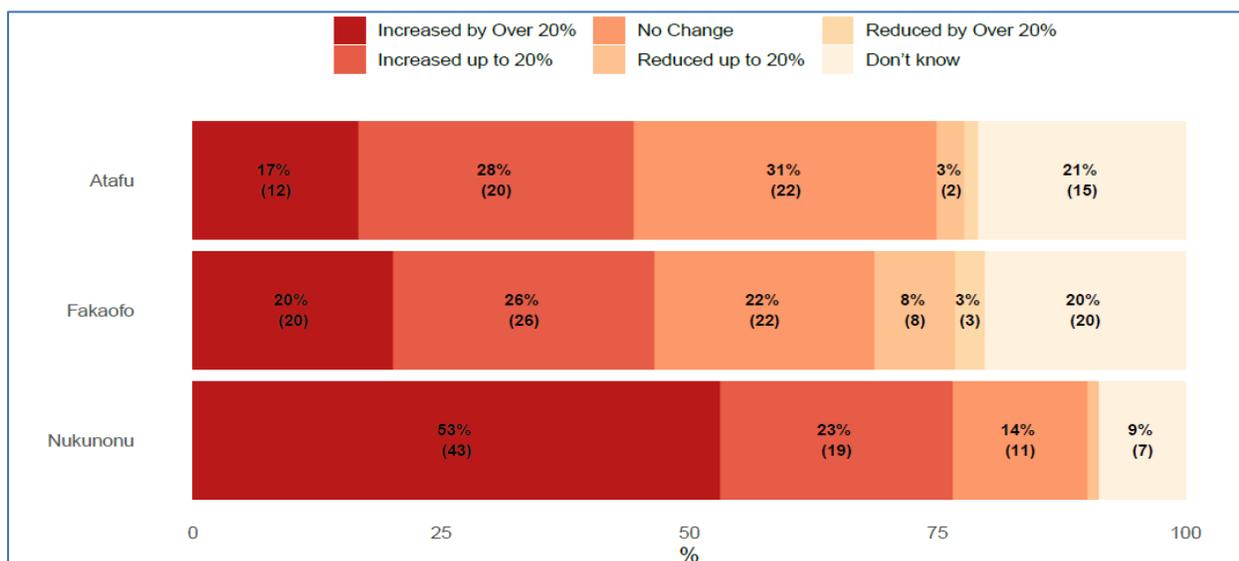
Economic Vulnerability

Tokelau’s geographic location and absence of air service makes it even more inaccessible than other PICTs. Currently, the only commercial means of accessing the island is via a 24-30 hours’ boat trip from Samoa, and the COVID-19 crisis has made Tokelau even less accessible than before.

The reliance on imports is very high – the total value of imports in 2016 was estimated to be around NZ\$6M (US\$4.3M), or 34% of the GDP. The lack of air service restricts the volume of imports and prevents the share of imports in GDP from going even higher. High dependence on imports makes Tokelau more vulnerable to external shocks in times of crisis.

According to the national SEIA conducted by the UNDP and the Government of Tokelau in November 2020, the prices of imported food items witnessed a considerable increase due to COVID-19, particularly in Nukunonu, where close to three-fourths of the households reported increasing prices of imported foods. Similarly, in Atafu and Fakaofu, 45-46% of respondents also reported increasing prices of imported food items during the lockdown period, indicating the vulnerability of Tokelau to price shocks that can in turn lead to other crises.

Tokelau: Change in Prices of Imported Food Items since COVID-19 Lockdown, by Atoll



Source: Tokelau SEIA Report, December 2021

Climate Risks



Tokelau's Integrated National Strategy for Enhancing the Resilience of Tokelau to Climate Change and Related Hazards (2017-2030) identifies three inter-related strategic Climate Resilient Investment Pathways (CRIPs). These should enhance the country's resilience and readiness to climate change and related hazards, in the context of national sustainable development, namely: mitigation, adaptation, and human development.³⁹ Under adaptation, it notes the importance of managing climate change and related risks in an integrated manner, with the most significant hazards being "tropical cyclones, severe weather systems (resulting in heavy rains and flooding), droughts, flooding associated with storm surges and king tides, sea level rise, waterspouts, disease epidemics, bush fires, landslides and tsunamis."⁴⁰ Tokelau has also developed its national risk reduction plan.⁴¹ The geographic isolation and limited capacity of Tokelau to manage disaster risks is further exacerbated by the risk of compound and consecutive disasters, whereby multiple hazards impact the islands at once.

Recent studies identified that a great earthquake from the Kuril Trench poses the most significant tsunami inundation threat to Tokelau, with modelled wave heights in excess of 1 meter, which may last 20 hours and include several wave trains. To address tsunami risk, the Tokelau Tsunami Contingency Plan is outlined under the National Disaster Risk Reduction Plan 2011. Under the Pacific Tsunami Warning and Mitigation System (PTWS), Tokelau, Apia liaison Office receives tsunami warning products from the Pacific Tsunami Warning Centre (PTWC) to warn local communities. However, Tokelau's warning and response arrangement and capacity along with local community preparedness needs strengthening to ensure all communities on Tokelau are tsunami-ready. These priorities are aligned with the Intergovernmental Oceanographic Commission of UNESCO (IOC-UNESCO) Decision A-31/3.4.1 and, specifically, the Ocean Decade Tsunami Programme endorsed at the IOC-UNESCO 31st Assembly in June 2021.⁴²

Tokelau's status as a territory means it is unable to access sources of global climate finance available to many other countries. This makes New Zealand's support even more critical. New Zealand currently works with Tokelau on a project to reduce the risks of coastal inundation from storms and sea-level rise, on a weather station which will help Tokelau forecast and record changes in the weather and, more broadly, on supporting Tokelau's voice on the global stage. Tokelau regularly joins New Zealand's delegations to international climate change negotiations. The application of the Climate Change Convention and the Paris Agreement now extend to Tokelau. This is likely to mean increased recognition for Tokelau's climate mitigation work, as well as the greater focus on its vulnerability to the effects of climate change.

³⁹ LivC, Op. Cit.

⁴⁰ Ibid.

⁴¹ Office of the Council for the Ongoing Government. November 2011. Tokelau National Disaster Risk Reduction Plan. Draft. Version 7.

⁴² Intergovernmental Oceanographic Commission of UNESCO

Land



The small land area and challenging agro-ecological conditions limit the scope for subsistence-based agriculture in Tokelau,⁴³ while limited natural resources and overcrowding are contributing towards emigration to New Zealand and Samoa. The population structure of Tokelau is skewed towards children and the elderly as a result of the working age population exploring job opportunities abroad.

The atoll islands of Tokelau are 3-5 meters above sea level, making the country highly vulnerable to coastal erosion and the impacts of climate change, including submersion due to rising sea level. As all three atolls are situated in the tropical cyclone belt of the Pacific, the country is also exposed to climate-related disasters. For instance, Tokelau was hit by Cyclone Percy in 2005 that caused severe damage. It also coincided with a spring tide that put most of the area of the two villages on Fakaofu and Nukunonu under a meter of sea water.

Beyond rising sea levels, continued environmental degradation, including ocean acidification, and rising water temperatures also pose major risk to the country. Solid waste accumulation continues to be a problem, and without careful planning, the climate change impacts will damage local livelihoods, food and water security.

Marine Resources



Continued loss of biodiversity is also a major risk to the Tokelauan natural environment and traditional lifestyles and culture. The atolls of Tokelau provide habitat for 38 indigenous plant species, over 150 insect species and 10 land crab species. However, this biodiversity is subject to numerous threats and has been on decline in recent years. The country's marine resources are also being reduced by overfishing. This poses a threat to revenues from fishing licenses.⁴⁴

Nevertheless, these threats also present opportunities to promote climate change adaptation by securing new funding streams and partnerships for environmental protection and disaster risk management. The government has recognized the need to improve management of coastal areas by extending the planting of species of plants and crops that can withstand the harsh soil and

⁴³ UN Pacific Strategy 2018-2022, page 127.

⁴⁴ Ibid, page 128.

temperature conditions, and by replacing species that have been over-utilized or damaged by earlier storms and cyclones.⁴⁵

Inshore fisheries are managed by the village councils (*taupulega*). Offshore fisheries are managed by the Tokelau Parliament (the National *Fono*) in partnership with New Zealand, which has responsibility for representing Tokelau with regards to obligations under the United Nations Convention on the Law of the Sea (UNCLOS), United Nations Fish Stocks Agreement (UNFSA) and Western and Central Pacific Fisheries Convention (WCPFC).

Recent work, using data from the Forum Fisheries Agency (FFA), suggests that the average annual tuna access fees for Tokelau⁴⁶ for the period 2015-2018 were US\$13.4M, equivalent to 84.2% of Government revenue.⁴⁷ This share is considered to be the highest contribution from the fisheries sector to the national economy of any country in the World.

Lastly, even though Tokelau is currently still among the remaining few countries that are free from COVID-19, the pandemic's global persistence poses a looming challenge that would have a major impact on island's population and prolong border closure and economic hardship.

⁴⁵ Food and Agriculture Organisation of the United Nations (FAO). April 2015. Tokelau and FAO. Partnering to improve food security and income-earning opportunities.

⁴⁶ Tokelau participates in the Parties to the Nauru Agreement (PNA) Vessel Day Scheme (VDS) under a memorandum of understanding with PNA.

⁴⁷ Data extracted from Bell, J.D., Senina, I., Adams, T. *et al.* 2021. Pathways to sustaining tuna-dependent Pacific Island economies during climate change. *Nat Sustain* 4, 900–910)

V. Financial Landscape

Tokelau has the smallest economy in the world, with an estimated GDP of NZ\$17.7M (US\$12.4M) or NZ\$8,600 (US\$6,128) per capita in 2017/18. As a result, the Government is substantially dependent on official development assistance (ODA) from New Zealand, which surpasses the island's GDP - the majority (92%) of the ODA comes from New Zealand. Tokelau is one of the most aid-dependent states in the world – it has extremely high ODA/GDP ratios (between 112% and 307% since 1990).

ODA



New Zealand's aid allocation to Tokelau was estimated at nearly NZ\$38M (US\$27M) in 2018/19 and NZ\$16.4 (US\$11.7M) in 2019/20, averaging at NZ\$27.2M (US\$19.4M) per fiscal year.⁴⁸ The last evaluation of New Zealand's development partnership⁴⁹ brought to the front some findings, conclusions and recommendations that are useful to the entire DP community. Tokelau has strong ownership of its development agenda in spite of differing priorities at the atoll level. Tokelau exhibits some significant weaknesses in certain key Public Financial Management (PFM) areas that present moderate fiduciary risk to DPs.

Development risk (the risk that development objectives cannot be achieved) is high in Tokelau and affects all aspects of the programme. The country has moved towards a significant increase in revenue from off-shore fisheries and has transformed its energy basket. Tokelau has some significant challenges ahead in terms of improving the quality of health and education services; many of the challenges relate to poor governance and management.

Noting the limited economic opportunities and general lack of natural resources, without New Zealand's assistance the Tokelau government would not be able to provide important economic and social services to its people and GDP per capita would plummet. A long-term performance management approach to capacity building in key reform areas could be the catalyst for a shift that would improve development effectiveness going forward. In the area of economic development New Zealand and Tokelau officials should focus on improving the regulatory and policy environment for fisheries. In the area of human development, DPs should prioritise Non-Communicable Diseases in a systematic way.

New Zealand's 4-year plan for Tokelau⁵⁰ focuses on supporting Tokelau to increase its resilience to climate change; to improve its self-governance; to support improved well-being; and to

⁴⁸ Tokelau National Statistics Office at <https://www.tokelau.org.nz/Stats>

⁴⁹ New Zealand Ministry of Foreign Affairs and Trade. December 2015. Evaluation of the Tokelau Country Programme. Adam Smith International. Mathea Roorda, David Carpenter, Andrew Laing and Mark McGillivray.

⁵⁰ New Zealand Ministry of Foreign Affairs and Trade. October 2021. Tokelau 4-Year Plan.

strengthen Tokelau's connectivity (between atolls, with New Zealand and the diaspora population, and within the region). First, priority has been given to improving core public services, in particular Tokelau's health and education systems. Financing has been provided for a new inter-atoll vessel that will cut down travel time between the three atolls from 4 to 6 hours to around sixty minutes. The undersea internet cable has been financed and will provide faster and more reliable internet. This offers opportunities in tele-medicine and distance learning. New Zealand further supports strengthening governance and management practices. Good governance and issues related to transparency and the promotion of democracy are key interests. In Tokelau, strengthening public financial management capacity and sustainably maximising the revenue Tokelau receives from its valuable fisheries resources are two focus areas for governance. A last priority is building resilience to the impacts of climate change.

The 4-year Plan aims at 4 strategic goals: Goal One: Support improved climate change resilience (with coastal resilience investments); Goal Two: Support more effective, inclusive and resilient self-governance (to have transparent, accountable, capable, inclusive and democratic government systems as enablers of positive, resilient development); Goal Three: Strengthen the health and cultural vibrancy of Tokelau's people to support human development and improved well-being (with a focus on health and education outcomes and the social well-being of communities, as well as on vibrant communities grounded in cultural tradition and sustainable economic development). It includes an effective rollout of vaccines to protect against COVID-19. It also gives effect to New Zealand's aspiration to support the social well-being of Pacific communities, making sure that language and cultural identity are promoted, and that Tokelauans are afforded the same human rights as all New Zealand citizens; Goal Four supports improved connectivity, internet and transport connectivity, digital technologies.

Australia works closely with New Zealand in support of the Government of Tokelau. It has defined a 2021-22 bilateral allocation [budget estimate] of AU\$0.4M (US\$0.3M) after a 2019-20 total Australian ODA [budget actual] of AU\$0.6M (US\$0.44M). Australia is supporting Tokelau respond to and recover from the impacts of the COVID-19 pandemic. In 2020-21 Australia contributed to the fit out of a mobile laboratory which has enabled Tokelau to manage its own testing for COVID-19.

In 2021 the UN system collectively committed just over US\$ 600,000 to support development interventions in Tokelau.⁵¹ This support increased from US\$ 500,000 in 2020 in response to the emerging challenges of the pandemic, particularly within the health sector. In 2021, the UN primarily targeted health interventions with more than 70% of the investment committed to strengthening health systems' response to the COVID-19 pandemic, strengthening access to sexual and reproductive health services for women and girls, enhancing national capacities to strengthen health and nutrition policies and legislation, and supporting to the roll-out of the COVID-19 vaccination.

In addition to the above allocations for 2021, UN agencies have successfully secured funding support from the SDG SIDS Fund totalling US\$ 364,400 to support a UN Joint Program to

⁵¹ Tokelau UN Joint Country Action Plans (2020 & 2021).

accelerate SDG achievement through integrated policy solutions, financing and digitalization. The program will be complemented by additional in-kind support of US\$ 60,000 from UNICEF and UNDP bringing the total value of support to US\$ 424,400. The Joint program is led by UNICEF supported by FAO and UNDP with implementation to take place over a 2-year period starting in 2022.

Domestic Income

Tokelau's main source of national income is derived from the sale of fishing licenses in Tokelau's Exclusive Economic Zone of 300,000 sq. km. that yielded US\$13.6 million (equivalent of NZ\$ 18.9 million, or more than 100% of GDP) in 2016.

Unlike other Pacific islands, Tokelau's economic model is not reliant on tourism, and because of that it has been less affected by the current tourism-driven COVID-19 related economic decline that has severely impacted other countries in the region. However, as Tokelau families are largely supported by remittances from family members working overseas, principally in New Zealand and Australia, there is likely to be some indirect effects from any COVID-related economic downturn in these countries.

Moreover, Tokelau continues to benefit from interest income generated by the Tokelau International Trust Fund – an intergenerational trust fund established by the Governments of New Zealand and Tokelau in 2000 to contribute to the long-term financial viability of Tokelau. It is predominantly invested in bank term deposits that generated NZ\$7M (US\$5M) in interest payment in 2016 (the Fund's balance stood at NZ\$82.6M or US\$59M at the end of that year).⁵² However, as a result of falling bank deposit (savings) rates due to the implementation of the Modern Monetary Theory (MMT) policy by central banks around the world, revenues from the Tokelau International Trust Fund have been reduced over the years.

Lastly, kickstarting plans for commercial air travel to the atolls could provide a significant boost to the economy. Several feasibility studies have been conducted over the years for this purpose, and some potential sites have also been identified. However, there are currently no investment plans in place.⁵³

⁵² The Tokelau International Trust Fund. 2016. Annual Report for the year ended 30 June 2016. The main purpose of the Fund is to enable the Government of Tokelau to develop the economy and maintain infrastructure and social services.

⁵³ RNZ. 30 July 2018. "Tokelau resumes search for airport site. Tokelau is once again trying to kickstart plans for a commercial air service to the atolls." <https://www.rnz.co.nz/international/pacific-news/362949/tokelau-resumes-search-for-airport-site>.

Conclusions

As a small country in the South Pacific Ocean, with a total area of only 10 square kilometres and a population of 1,600 people, Tokelau faces many fundamental structural challenges similar, but more extreme, to those that generally characterize small island development states – remoteness (exacerbated in Tokelau’s case by lack of air transportation), small size, enhanced risk of climate-related disasters, and dependence on imports, overseas development assistance (ODA) and revenues from fishing licenses.

Nevertheless, in the context of global Covid pandemic, the country’s extreme remoteness has also resulted in some benefits, including the COVID-free status and a lesser socio-economic impact, compared to many other Pacific countries, due to its economy not being reliant on tourism. In the years preceding the global COVID crisis, Tokelau seemed to have done well on MDG/SDG goals. The extreme (food) poverty is non-existent, and access to basic health and education services appears to be good. The country has been also a pioneer in the region in terms of having 100% of its electricity produced from solar power. In the Covid context, with assistance from New Zealand, the country has also achieved almost universal vaccine coverage of eligible adult population.

However, many challenges across SDG goals remain, including NCDs and obesity, an ageing population, gender inequality, unresolved waste management issues, environmental degradation and loss of biodiversity. The new Tokelau National Strategic Plan 2021-26 acknowledges that “Tokelau is mindful of the ongoing challenges to her development. Achieving our strategic goals and outcomes will require concerted efforts by our leaders and public service with continuing support from our partners.”

Tokelau needs reliable information on poverty, food security, education, the labour market, trade and health. Like other PICTs, it needs to confront the NCDs and adolescent birth rates, tobacco use, infectious diseases and their underlying causes. Tokelau also needs to address the gender inequality gap, starting with some basic legislation on rights that would make employment less unequal and with the prevention, detection and support to victims of VAWG. The public space also needs gender balance.

Tokelau needs better communications to increase mobility and access to global platforms for education, services, e-commerce and information. It needs to revamp its waste management systems, make its key infrastructures more resilient, and continue a serene and rational conversation with New Zealand on ODA, novel funding instruments like the Trust Fund, possibilities to access climate finance, and future governance arrangements, especially regarding their potential financial impact. It needs to make the most of its fishing license income and attempt an innovative design of a quality tourist offer, off the beaten path. Better public financial management will allow using efficiently the revenue generated and invest wisely in the territory’s priorities. Like all other PICTs, Tokelau needs to ready itself for hazards and adopt a risk-informed development model.

As discussed in the SDG chapter, much better data would be needed to measure the progress in achieving the stated objectives, as the current SDG indicator information remains highly insufficient. There are many reasons for this, including the lack of physical presence on the ground from UN and other international development agencies, absence of the voluntary national review (VNR) process, and limited national (both human and financial) resources to produce frequent high-quality statistics.

Clearly, the country's remoteness underpins the above-mentioned reasons. Yet, these factors would need to be addressed in the coming years if the inspirations for the data-driven policy interventions are to be realized. Major upgrading in the availability of disaggregated national statistics and improvement in the capacity of the Tokelau National Statistical Office to collect, analyze and disseminate statistics would be required. The Government should also consider participation in the VNR process, which would help reveal the data gaps and how to bridge them. The UN Country Team and DPs stand ready to help the Government of Tokelau in the achievement and measurement of the results.

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