

Cook Islands

NDA		Direct access entities	International access entities	Priority Sectors	Total GCF financing needs
Climate Change Cook Islands Division, Office of the Prime Minister	Accredited	SPREP (Cat C)	CI, ADB, UNDP, AFD, KfW, IUCN, UNEP	Renewable Energy (Electricity), coastal protection, climate infrastructure, community resilience	To be determined
	Potential	MFEM, SPC	FAO, GIZ		

1. Introduction

The Cook Islands is a small island developing state comprising of 15 small islands with an exclusive economic zone (EEZ) of nearly 2 million sq. km in the South Pacific Ocean. Though it contributes only 0.00012% of GHG emissions it is highly vulnerable to impacts of climate change, which will have serious effects on its ecosystems, infrastructures, economy, and will threaten the overall livelihoods of island inhabitants.

The country has developed several plans and policies that articulate its priorities in terms of reducing vulnerability and strengthening resilience. This includes the first 20-year national vision 'Te Kaveinga Nui', accompanied by three chronological National Sustainable Development Plans. The Third National Sustainable Development Plan (NSDP) 2015-2020 aims to achieve green economic growth, resilient infrastructure, ecological sustainability, sustainable resource management, development of renewable energy, and increasing resilience through disaster risk management. Central to these plans is the Joint National Disaster Risk Management and Climate Change Adaptation Plan (JNAP) five-year roadmap that is currently being updated to 2020. It is the key policy document linking climate change and disaster risk preparedness.

In addition, the Climate and Disaster Compatible Development Policy 2013-2016 is guiding coordinated adaptation and mitigation actions across all sectors while the Renewable Energy Chart provides the pathway of transforming the electricity sector from diesel based to renewable energy sources and lies at the core of the Cook Islands' INDC.

2007-2020: First, Second and Third National Sustainable Development Plan

2011-2015: Joint National Disaster Risk Management and Climate Change Adaptation Plan (JNAP)

Climate and Disaster Compatible Development Policy 2013-2016

May 2015 Cook Islands National Infrastructure Investment Plan (NIIP)

Nov 2015: Intended Nationally Determined Contribution (INDC) submission

Jan 2016: GCF Readiness Grant approved

June 2016 The Cook Islands Renewable Energy Chart

INDC Targets

Estimated resources required (USD M)

Conditional	<u>Adaptation</u> : coastal protection, water security, agriculture, forestry, marine conservation, waste, tourism and land management	N/A
	<u>Mitigation</u> : 81% reduction from electricity sub-sector by 2030	N/A
Unconditional	38% GHG emission reduction by 2030, 100% Renewable Electricity by 2020	N/A

The INDC is strongly focused on completely reforming the electricity sector, as it is the highest emitter in the country and on the transport sector as the second highest emitter, looking towards clean technologies. The country has also put forward a NAMA, which outlines the support requirements for achieving this goal beyond already confirmed international support, and around US\$ 400K has been indicated as required. NAMA activities focus on developing renewable energy technology trades training courses and providing policy assistance for regulatory frameworks, especially on how they relate to private sector investment in renewable electricity.

2. Country Agenda and GCF Engagement

The Cook Islands is confident it can deliver on its adaptation needs if it receives external support and expects the full costs associated with building resilience to climate change to be covered by the international community over time. While the costs of implementing its INDC have not been defined, the cost of implementing the National Disaster Risk Management and Climate Change Adaptation Plan is estimated at NZ\$ 53,7M (US\$ 39M). Around NZ\$ 6.2M (US\$ 4.5M) could be absorbed by national government while the remaining will require a combination of government, private sector and donor support.

As the Government of the Cook Islands lacks both the financial resources and human resources to adequately prepare for climate change impacts, it has shown strong high-level commitment to strategically engage with the GCF and ensure the right support is obtained to effectively respond to the impacts of climate change and promote activities that make a difference on the ground and to the livelihoods of communities in all islands.

In June 2014, the Cook Islands Government confirmed the Climate Change Cook Islands division within the Office of the Prime Minister as the GCF National Designated Authority (NDA) and it is currently implementing Readiness activities to strengthen the NDA, indicating that they would like to receive Readiness for developing a wider strategic framework for guiding GCF engagement. They have nominated the Ministry of Economy and Financial Management as a Direct Access Entity and are also looking into nominating the Bank of Cook Islands.

The Cook Islands seek to pursue a programmatic approach for mitigation and adaptation. Two interconnected projects are looking at both equipping households with solar systems and developing storage systems in partnership with ADB through the national power utility. Further, several community resilience activities could be addressed under a NAP. Furthermore, direct access and country ownership for access, management and disbursement of funds is a priority for the Cook Islands whose Ministry of Finance and Economic Management has recently become accredited to the Adaptation Fund and is also seeking accreditation to the GCF.

Funding			
Project Title	Description	Accredited Entity	Timeframe for GCF submission
Low carbon development	Enable sustainable development through investment in proven low carbon infrastructure. Developing storage systems with national Cook Islands Power utility through ADB. ADB is supporting Cook Islands in energy. The country has converted 50% of the 12 inhabited island to renewable energy and is working towards its target of 100% by 2020. The key challenge in renewable energy implementation is on the main islands of Rarotonga and Aitutaki where significant private sector installation has occurred. This has resulted in the fundamental issue of integration on the grid hindering further installation. As such, given that ADB is already working in this space, ADB could potentially be their implementing entity in terms of increasing renewable energy uptake by focusing on increased storage options for Rarotonga and Aitutaki.	ADB - TBC	< July 2017
Type		Total financing: __\$M	
Programme		GCF: 40 (Adaptation grant)	Other: TBD
Private Sector solar systems Gross Metering & Independent Power Providers	A program where BCI gives financing to property owners to set up 21kw solar arrays (or larger). Production is fed directly into the grid and property owners receive income. Build on BCI's current self-funded program with cost of funding to match anticipated reduction in feed-in tariff.	Accredited Entity	GCF submission timeframe
Type		Bank of Cook Islands – to be accredited	> July 2017
		Total financing:	Status

Pilot – EDA route	Current status: awaiting Te Aponga Uira to open up applications for next round of new connections and any new conditions/design requirements.	<u>GCF:</u>	<u>Other:</u>	Project Idea
Private Sector - Transforming Energy in the Tourism Industry	A program to be set up where the BCI facilitates the transition from fossil fuel to renewable energy use in the Tourism Industry. New program to build on BCIs mandate to support Government achieve its 2020 Renewable Energy Targets.	Accredited Entity	GCF submission timeframe	
Type	Current status: concept only	Total financing:		Status
Pilot – EDA route		<u>GCF:</u>	<u>Other:</u>	Project Idea
Readiness				
The Joint National Action Plan for Disaster Risk Management and Climate Change	Several priority activities for the Cook Islands focus on strengthening resilience through local action. There is an objective to upscale and strengthen the ability of all islands and communities to manage the anticipated consequences of climate change driven (including extreme events) in a pro-active, integrated and strategic manner.	Accredited Entity	Timeframe for GCF submission	
		TBD	> July 2017	
Type		Total financing: 20\$M		Status
	The soon to be finalized Joint National Action Plan for Disaster Risk Management and Climate Change 2016-2020 will focus on both the links between sustainable economic development and ecosystems as well as climate proofing infrastructure. The activities under the plan are defined within three thematic areas; <ol style="list-style-type: none"> 1. Climate change adaptation, disaster prevention, mitigation & preparedness 2. Climate change mitigation & low carbon development 3. Disaster response, recovery and reconstruction 	<u>GCF:</u> 20\$M	<u>Other:</u> 0\$M	Project Idea
NDA Strengthening and developing Strategic Frameworks	Readiness activities focus on developing online materials on the nomination of direct access entities and mechanisms around the no-objection procedure. Assessments of the country's priorities in line with the principles of the GCF are also being carried through stakeholder consultations.	Delivery partner	GCF Submission Timeframe	
Type		Ministry of Finance and Economic Planning	26 January 2016	
Readiness	The development of Strategic Frameworks will be added to the initial NDA Strengthening Proposal.	Total financing: 150K <u>GCF:</u> 75k	Status	Disbursed

3. Structured Dialogue

The Cook Islands has actively advocated for, and in many ways pioneered, direct access to climate finance and the importance of

development effectiveness, donor harmonization and the use of countries own systems to effectively combine available resources and apply to their resilient development agenda. To this end the Cook Islands has engaged with a number of partners to assist its resilient efforts including ADB, GEF, UNDP, MFAT, EU and the Adaptation Fund.

New Zealand has indicated interest to provide Technical Assistance to the Cook Islands in supporting access to GCF.

4. Action Plan

A series of next steps are required for a full development and implementation of Cook Islands' climate plans along the following action lines:

Funding. Through the national consultation workshop held in May 2016, stakeholders identified 2016 adaptation priorities for all twelve inhabited islands. Readiness requests currently being applied for are intended to assist with the development of a country programme using the key priorities identified from the workshop's consultation and relevant climate change and development policies. These will be complemented by low emission investments particularly in the energy sector identified by their INDC's and feasibility studies currently being undertaken on the Renewable Energy Chart.

Readiness. Readiness will continue to be used to supplement and strengthen capacity of the NDA and key stakeholders to perform functions related to the GCF and fully develop their programmatic approach on mitigation and adaptation and put forward concrete project ideas for both the GCF project funding windows and the NAP funding window.

With direct access a priority for the Cook Islands, GCF is in discussions with MFEM on possible fast tracking of their accreditation based on their recent accreditation to the Adaptation Fund (July 2016). The NDA is also in discussions with the Bank of Cook Islands (local commercial bank) for potential nomination for accreditation. The GCF is in discussion with MFEM on any additional accreditation capacity support they may need, given their recent accreditation to the Adaptation Fund of up to 3m. As their accreditation with the GCF could be finalized soon, they are also considering submitting a proposal for the EDA funding track. If the Bank of Cook Islands is nominated for accreditation it can also proceed with carrying out the gap assessment with GCF and external PwC support. In the mean time, the capacity of MFEM to understand the GCF on direct access is also being built through its management of existing Readiness proposals being implemented by the NDA for NDA Strengthening.