# Vanuatu's

# Nationally Determined Contribution 3.0

Greater ambition and enhanced action for a critical decade 2025-2035





Pursuant to Article 4
Vanuatu's Nationally Dete
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#### Introduction

NDC 3.0 at the Core of Vanuatu's Sustainable Development, Human-Rights Protections, Coordinated Climate Programming and Coherent Finance

Vanuatu submits this third iteration of its Nationally Determined Contribution (NDC), informed by the priorities voiced by our people, their community, elected representatives, the public service, the private sector and civil society, on how our nation can maintain its current net-negative greenhouse gas (GHG) emissions society (Article 4.1) whilst being resilient to the unavoidable impacts of climate change (Article 7.1), averting, minimising, and addressing loss and damage (Article 8) in the context of the long-term temperature goal (Article 2), while articulating our financial needs (Article 9) that shall be provided by developed country Parties in continuation of their existing obligations under the UNFCCC.

Through the preparation, communication and maintenance of this successive nationally determined contribution, and the pursuit of domestic measures to achieve the objectives of these contributions, Vanuatu continues to meet its obligations under Article 4, paragraph 2 of the Paris Agreement.

Acknowledging the interconnected nature of the crises facing the world, including fossil fuel-driven climate change, inequality, biodiversity loss, pollution, militarization and financial instability, Vanuatu's NDC 3.0 presents localised, long-term and programmatic solutions that enable synergistic actions and ensure that support reaches our island communities who are leading meaningful change on the ground. Vanuatu's NDC 3.0 represents our whole of society effort to implement the global Sustainable Development Goals (SDGs) and Vanuatu's own National Sustainable Development Plan, known as the People's Plan 2030, which charts the country's vision and overarching policy framework to achieving a stable, sustainable and prosperous nation.

All commitments outlined in Vanuatu's NDC 3.0 are based on existing sector and subnational policies, plans and strategies, ensuring that the NDC 3.0 is truly owned by the nation as a whole, and fully guided by human rights obligations and principles. Monitoring and evaluation of the NDC targets is already being undertaken by the sectoral stewards of the foundational policies, ensuring that the NDC implementation process is fully embedded within existing national development and governance systems and mechanisms. The policies which form the basis of this NDC 3.0 include:

- Adaptive Social Protection Policy
- Agriculture Sector Policy
- Biosecurity Policy
- Child Protection Policy
- Climate Change & Disaster Risk Reduction Policy 2nd Edition
- Climate Diplomacy Strategy
- Decentralisation Policy
- Disaster Induced Displacement Policy
- Disaster Induced Displacement Policy
- Disaster Risk Financing Policy
- Education Policy Statement
- Environmental Health Policy
- Forest and Landscape Restoration Strategy
- Fruit and Vegetable Strategy
- Gudfala Kakae Policy
- Health Cluster Strategic Plan
- ICT Policy
- Loss & Damage Policy
- Ministry of Health Policy
- National Biodiversity Strategy and Action Plan
- National Coconut Oil for Fuel Strategy

- National Coconut Strategy
- National Energy Efficiency Strategy and Action Plan
- National Environment Policy
- National Fisheries Sector Policy
- National Forest Policy
- National Gender Equality Policy
- National Invasive Species strategy and Action Plan
- National Kava Strategy
- National Livestock Policy
- National Roadmap for Coastal Fisheries
- National Strategy for the Development of Statistics
- National Sustainable Development Plan
- National Waste Management & Pollution Control Strategy
- National Water Policy
- National Youth Development Policy
- NDC 2.0
- NDC Adaptation Targets
- NDC On-Grid Electricity Investment Strategy
- NSDP M&E Framework
- Overarching Productive Sector Policy
- Public Private Partnerships Policy
- Technology Needs Assessment
- Trade Policy Framework Update
- Trade Policy Framework Update
- Updated Vanuatu National Energy Road Map
- Vanuatu Disability and Inclusive Development Policy
- Vanuatu Education Training Sector Strategic Plan
- Vanuatu Food Safety, Security and Nutrition Policy
- Vanuatu Foreign Policy
- Vanuatu Framework for Climate Services
- Vanuatu Fruits and Vegetable Strategy
- Vanuatu Health Sector Strategy
- Vanuatu Infrastructure Strategy and Implementation Plan
- Vanuatu Land Use Planning Policy
- Vanuatu Low Emissions Development Strategy
- Vanuatu National Labour Mobility Policy
- Vanuatu National Security Strategy
- Vanuatu NCD Policy and Strategic Plan
- Vanuatu NDC Forest Investment Strategy
- Vanuatu Ocean Policy 2nd edition
- Vanuatu Recovery Strategy
- Vanuatu REDD+ R Package
- Vanuatu Sustainable Tourism Policy
- Vanuatu's National Planned Relocation Framework
- VMGD Strategic Plan 2024-2029

As the main instrument for national implementation of the Paris Agreement, Vanuatu's NDC 3.0 has been guided by human rights obligations, principles, and standards in its preparation and content, and will continue in this approach throughout its implementation. Vanuatu's commitment to a human rights-based NDC is premised on the 11th preambular paragraph of the Paris Agreement, which acknowledges that "climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity."

Accordingly, Vanuatu's NDC planning and development process was built on inclusive and comprehensive public participation at all levels, and was fully informed by Vanuatu's human rights obligations. The NDC sets ambition levels according to the best available peer reviewed science and international law to keep warming below 1.5°C. Importantly, the Vanuatu NDC 3.0 prioritises adaptation support for all vulnerable sectors, communities, households and individuals, and through the stand alone loss and damage commitments, commits to seeking redress for all affected by the climate crisis. The various commitments, including means of implementation outlined, aim to respect, protect and promote human rights. Similarly, Vanuatu's human rights obligations are reflected in the decentralised and sector owned nature of NDC target setting and monitoring and evaluation, enshrining the principle of locally led action and subsidiarity.

Importantly, the NDC 3.0 forms a core part of the National Climate Finance Country Platform, which aims to mobilise and coordinate climate finance at the scale and speed required to meet Vanuatu's self-determined climate goals. The NDC-based Country Platform is a strategic, coordinated, and country-owned mechanism for delivering climate action, support and financing to sectors and communities on the front lines. Given the investment framework nature of this NDC 3.0, the Country Platform enables the streamlining of diverse finance sources—public and private, international and domestic—toward the implementation of Vanuatu's highest and nationally determined priorities, balanced between the social, environmental and economic pillars of sustainable development.

# Vanuatu Climate Finance Country Platform for implementation of the NDC 3.0 and other key climate initiatives

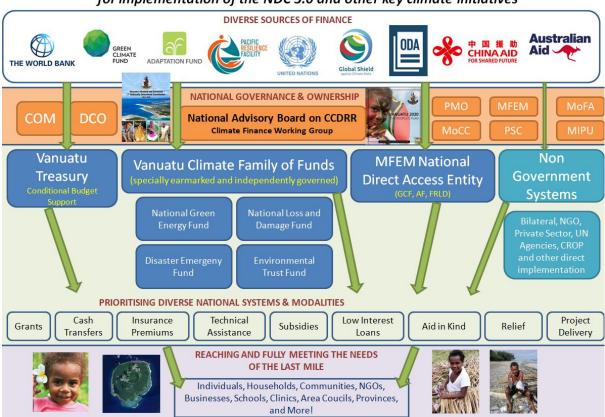


Figure 1: Vanuatu Climate Finance Country Platform

The National Climate Finance Country Platform has the following key elements:

- Diverse sources of finance are coordinated and leveraged to provide maximum impact and full implementation of the programmatic and long term priorities identified in the NDC 3.0, including:
  - Bilateral finance and arrangements, especially budget support modalities
  - Resources from the Pacific Resilience Facility (PRF)

- The special funds and operating entities of the Financial Mechanism of the UNFCCC, including the Global Environment Facility (GEF), the Green Climate Fund (GCF), the Adaptation Fund (AF), the Special Climate Change Fund (SCCF), and the Fund for responding to Loss & Damage (FRLD)
- Concessional finance from Multilateral Development Banks (MDBs)
- o Financing and technical assistance from UN and CROP agencies
- Philanthropic foundations and not for profit groups
- o Private, commercial and corporate finance and ESG initiatives
- Impact and investment funds
- Vanuatu Sustainable Bonds, including Blue and Green Bonds as endorsed by the Council of Ministers in 2024
- Carbon markets and compliance schemes as part of Article 6 of the Paris Agreement and national carbon revenues as outlined in the Vanuatu Carbon Cooperation Framework as endorsed by the NAB
- Insurance and risk transfer mechanisms, including Vanuatu's coverage by the Pacific Catastrophe Regional Insurance Company (PCRIC) and Pacific Insurance and
- Litigation and court ordered climate settlement payments
- Strong national ownership of investment programming, including through the Council of Ministers (COM) and Development Committee of Officials (DCO), and the central agencies which include the Prime Minister's Office (PMO), Ministry of Finance and Economic Management (MFEM), Ministry of Foreign Affairs (MoFA), Ministry of Climate Change (MoCC), Public Service Commission (PSC) and the Ministry of Infrastructure and Public Utilities (MIPU). The National Advisory Board on Climate Change and Disaster Risk Reduction (NAB) is the primary institutional focal point for the Country Platform, as it convenes all ministries, private sector and civil society to provide the highest level of climate policy guidance and programming advice.
- Fit-for-purpose national climate financing systems, developed to receive, manage, disperse, monitor and report on climate financing flows, including:
  - The National Treasury, assessed by the ADB as ranking high relative to other Pacific island economies, surpassing the regional Financial Development Index average, and compliant with internationally accepted standards and measures of good practice
  - Four legislated Funds as part of the Climate Family of Funds administered by the Ministry of Climate Change
    - National Green Energy Fund
    - Loss and Damage Fund
    - Environmental Trust Fund
    - Disaster Emergency Fund
  - The soon to be GCF accredited Ministry of Finance as an accredited entity for multilateral climate finance
- A range of locally tailored finance disbursement modalities, which aim to provide direct and
  efficient access to climate finance to a range of grassroots and subnational stakeholders,
  fully guided by human rights obligations, principles, and standards and including innovative
  modalities, including but not limited to:
  - Cash transfer systems
  - o small grants programmes
  - Payment of insurance premiums
  - o subsidised materials and equipment
  - o low interest concessional finance
  - o technical assistance
  - o Aid in kind

#### NDC 3.0 alignment with Global Stocktake outcomes

In December 2023, the 5th Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) and the 28th Conference of the Parties to the UN Framework Convention

on Climate Change (COP28), concluded the first-ever Global Stocktake, finding that current climate actions are inadequate to keep global warming below 1.5 degrees Celsius and avoid the worst climate impacts, and that countries must step up their efforts to correct course and accelerate global climate action. In response to the Global Stocktake, Vanuatu has set economy-wide commitments.

Important elements of the Stocktake synthesis report<sup>1</sup> that are of critical importance to Vanuatu include:

- The recognition of a persistent "emissions gap," due to the misalignment of current climate commitments and the pathways needed to limit global warming to 1.5 degrees Celsius
- The historical context of emissions, particularly the significant contribution of developed countries to historical and current GHG emissions, and the need for ongoing acknowledgment and redress for this disparity as vital for building trust and ensuring equitable contributions towards global climate goals.
- There are clear pathways forward, based on system-wide transformations that can dramatically reduce emissions while also ensuring a climate-resilient future.
- The need to phase out fossil fuels, scale renewable energy, significantly shift towards low carbon transport and industry, and reduce non-CO2 emissions including methane.
- The importance of preserving nature and ecosystem services, ending deforestation and embracing sustainable agriculture as pivotal to enhancing resilience and delivering emissions cuts.
- The placement of people, including indigenous people and local communities, at the heart of the global transitions, underscores the imperative for equity in all transformative efforts.
- The urgency of increasing adaptation support and addressing loss and damage, particularly for vulnerable communities, noting that plans and commitments for adaptation action and support have been poorly implemented, are unevenly distributed and have progressed only incrementally.
- The need to reorient trillions of dollars in global finance towards the global just transition, tailoring and mobilizing significant resources in support of equitable and locally tailored solutions that are fully integrated into sustainable development and poverty eradication.
- The critical role of non-state actors, including civil society, the private sector, and local communities, in strengthening climate action efforts, and the need for accurate accounting and accountability to track their contributions effectively.
- The foundation that science provides towards actionable climate solutions
- A sobering acknowledgment that the window of opportunity to secure a liveable and sustainable future for all is rapidly closing

Notably, the negotiated outcome decision from the Global Stocktake at COP28/CMA5² called for a "transition away from fossil fuels" in a "just, orderly and equitable manner, accelerating action in this critical decade, so as to achieve net zero by 2050 in keeping with the science". Vanuatu also appreciates and acknowledges other critical policy signals in the decision, including the commitment to tripling renewable energy capacity and doubling energy efficiency globally by 2030, as well as reflecting these efforts in new NDCs.

Vanuatu's NDC 3.0 adheres to the following elements of the Stocktake decision:

- Tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030
- Accelerating efforts globally towards net zero emission energy systems, utilizing zero- and low-carbon fuels, well before or by around mid-century;
- Transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner, accelerating action in this critical decade, so as to achieve net zero by 2050 in keeping with the science

<sup>1</sup> https://unfccc.int/documents/631600

<sup>&</sup>lt;sup>2</sup> https://unfccc.int/documents/637073

- Accelerating zero- and low-emission technologies, including, inter alia, renewables, nuclear, abatement and removal technologies such as carbon capture and utilization and storage, particularly in hard-to-abate sectors, and low-carbon hydrogen production
- Accelerating the substantial reduction of non-carbon-dioxide emissions, in particular methane emissions by 2030;
- Accelerating the reduction of emissions from road transport on a range of pathways, including through development of infrastructure and rapid deployment of zero- and lowemission vehicles:
- Phasing out inefficient fossil fuel subsidies that do not address energy poverty or just transitions, as soon as possible;
- Economy-wide emission reduction targets, covering all greenhouse gases, sectors and categories and aligned with limiting global warming to 1.5 °C, as informed by the latest science
- Aligning nationally determined contributions with long-term low greenhouse gas emission development strategies
- Strengthening resilience and reducing vulnerability to climate change with a view to contributing to sustainable development and ensuring an adequate adaptation response
- Conserving, protecting and restoring nature and ecosystems towards achieving the Paris Agreement temperature goal, including through enhanced efforts towards halting and reversing deforestation and forest degradation by 2030, and other terrestrial and marine ecosystems acting as sinks and reservoirs of greenhouse gases
- Transitioning to sustainable lifestyles and sustainable patterns of consumption and production in efforts to address climate change, including through circular economy approaches
- Urgent, incremental, transformational and country-driven adaptation action based on different national circumstances in order to:
  - Significantly reduce climate-induced water scarcity and enhancing climate resilience to water-related hazards towards a climate-resilient water supply, climate-resilient sanitation and access to safe and affordable potable water for all;
  - Attain climate-resilient food and agricultural production and supply and distribution of food, as well as increasing sustainable and regenerative production and equitable access to adequate food and nutrition for all;
  - Attain resilience against climate change related health impacts, promoting climateresilient health services and significantly reducing climate-related morbidity and mortality, particularly in the most vulnerable communities;
  - Reduce climate impacts on ecosystems and biodiversity and accelerating the use of ecosystem-based adaptation and nature-based solutions, including through their management, enhancement, restoration and conservation and the protection of terrestrial, inland water, mountain, marine and coastal ecosystems;
  - Increase the resilience of infrastructure and human settlements to climate change impacts to ensure basic and continuous essential services for all, and minimizing climate-related impacts on infrastructure and human settlements;
  - Substantially reduce the adverse effects of climate change on poverty eradication and livelihoods, in particular by promoting the use of adaptive social protection measures for all;
  - Protect cultural heritage from the impacts of climate-related risks by developing adaptive strategies for preserving cultural practices and heritage sites and by designing climate-resilient infrastructure, guided by traditional knowledge, Indigenous Peoples' knowledge and local knowledge systems;
- Recognising iterative adaptation cycle for building adaptive capacity, strengthening resilience and reducing vulnerability, recognizing the importance of means of implementation and support for developing country Parties at each stage of the cycle
- Acknowledging that scaling up new and additional grant-based, highly concessional
  finance and non-debt instruments remains critical to supporting developing countries,
  particularly as they transition in a just and equitable manner, and recognizes that there is
  a positive connection between having sufficient fiscal space, and climate action and
  advancing on a pathway towards low emissions and climate-resilient development

- Recalling that developed country Parties shall provide financial resources to assist developing country Parties with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention and that other Parties are encouraged to provide or continue to provide such support voluntarily
- Recalling that developed country Parties should take the lead in mobilizing climate finance
  from a wide variety of sources, instruments and channels, noting the significant role of
  public funds, through a variety of actions, including supporting country-driven strategies,
  and taking into account the needs and priorities of developing country Parties, and that
  such mobilization of climate finance should represent a progression beyond previous
  efforts;
- Acknowledging the significant gaps, including finance, that remain in responding to the increased scale and frequency of loss and damage, and the associated economic and noneconomic losses
- Recognizing that international cooperation is critical for addressing climate change, in the
  context of sustainable development and poverty eradication, particularly for those who
  have significant capacity constraints, and enhancing climate action across all actors of
  society, sectors and regions

In keeping with these critical elements of the negotiated outcome, Vanuatu has stepped up through this NDC 3.0 to fully meet the purpose of the Global Stocktake as articulated in the Paris Agreement, to inform countries in updating and enhancing their climate actions and NDCs, and in strengthening international cooperation for climate action. Vanuatu is wholly committed to demonstrating how the ambition cycle of the Paris Agreement is intended to function. Beyond the NDC, Vanuatu is also fully committed to, and has indeed already taken considerable action to integrate the Global Stocktake's conclusions into national policies that aim to close gaps in adaptation, mitigation, and finance, in light of equity and the best available science.

Vanuatu's NDC 3.0 fully incorporates the Global Stocktake findings to ensure we are increasingly ambitious with our actions to keep the Paris Agreement's goals in reach, guide government and non-state actors' climate policy and investment decisions, and drive the transformational action across our critical systems including but not limited to energy, transport, food and nature.

Vanuatu is already a carbon-negative country. With forests covering 70% of its islands, and its maritime jurisdiction comprising 98% of the nation, the big ocean state of Vanuatu is already a carbon sink - absorbing more carbon dioxide than it produces - thus freely providing a critical environmental service to carbon emitting countries around the world. Moving beyond our current Net Zero status, this NDC recommits Vanuatu to rapidly phasing out fossil fuels, deeply decarbonising and transitioning completely to a circular economy.

Pursuant to Article 4 of the Paris Agreement, and to demonstrate that Vanuatu is an action-focused leader in its calls for all Parties to make ambitious commitments to limit the global average temperature increase to 1.5°C above pre-industrial levels, Vanuatu's NDC reflects the highest ambitions on adaptation, mitigation, and loss and damage. As per Decision 4/CMA.1, Vanuatu's information provides clarity, transparency and understanding.

Targets and commitments are conditional upon international finance, action, support, technology and capacity development. The approximate cost of achieving Vanuatu's NDC 3.0 by 2035 is USD 2,768,441,850.

#### Vanuatu's Science-Based Commitments

The international climate regime, including the UNFCCC and the Paris Agreement, is built upon a clear understanding of the threats posed by, and the causes of, climate change. More than a century and a half of industrialisation, along with the clear-felling of forests and certain farming methods, has led to increased quantities of greenhouse gases (GHGs) in the atmosphere.

The Paris Agreement set out a global commitment to limiting warming to well below 2°C while pursuing efforts to limit global temperature rise to 1.5°C. Vanuatu bases its national determined commitments on the best available science, which confirms the existential nature of the current climate crisis and the urgency with which we, and all nations, must act.

The Republic of Vanuatu signed the Paris Agreement on 22 April 2016 and deposited its instrument of ratification on 21 September 2016. The Government of the Republic of Vanuatu is fully committed to effective and transparent implementation of the Agreement and submitted its declaration, which reads, in part:

"...the Government of the Republic of Vanuatu declares that, in light of the best scientific information and assessment on climate change and its impacts, it considers the emission reduction obligations in Article 3 of the Kyoto Protocol, the Doha Amendment and the aforesaid Paris Agreement to be inadequate to prevent global temperature increase of 1.5 degrees Celsius above pre-Industrial levels and as a consequence, will have severe implications for our national interests..."

The Intergovernmental Panel on Climate Change estimates that to limit global warming to 1.5°C, global emissions need to be roughly halved by around 2030 (compared to 2018) and reach net zero around 2050. Net zero refers to the situation in which emissions reduce to almost zero, and any remaining emissions are removed from the atmosphere.

According to the IPCC's 2018 special report on the temperature goal, we are currently on track to exceed 1.5°C sometime between 2030 and 2052. This expected increase of the global mean temperature is associated with rising sea levels, rapidly changing ecosystems and more extreme and slow-onset events such as heat waves, storms and flooding. The impacts undermine global efforts for development and prosperity everywhere, and particularly in small island developing states like Vanuatu.

#### NDC 3.0 Policy alignment

The Republic of Vanuatu's long term vision on climate change and aspirations are embedded within the fundamental duties defined under its constitution: "to protect the Republic of Vanuatu and to safeguard the national wealth, resources and environment in the interests of the present generation and of future generations" and guided by its National Vision - "A stable, sustainable and prosperous Vanuatu", under the National Sustainable Development Plan (NSDP) 2016-2030 also called Vanuatu 2030: The People's Plan.

The NDC 3.0 is Vanuatu's primary planning instrument for tackling climate change at the national level, building on the ambition articulated in the Climate Change and Disaster Risk Reduction Policy 2016-2030 2nd edition (CCDRR Policy), to promote good governance and which establishes priorities and strategies for future climate actions; as well as the Meteorology, Geological Hazards and Climate Change Act No. 25 of 2016 (Climate Change Act), that provides for institutions (governance and administrative provisions), transparency and roles and responsibility for departments of meteorology, geological hazards and climate change and for related purposes. Vanuatu is also currently developing a National Adaptation, Loss & Damage Plan (NALDP) and has completed a Loss & Damage Policy Framework<sup>3</sup> which capture critical climate priorities and actions.

#### A Just and Equitable Transition

Vanuatu explicitly recognizes the principle of a just and equitable transition as essential to the fair, equitable, and effective implementation of the NDC 3.0. As one of the first countries in the world to commit to a fossil fuel–free future, Vanuatu's position is that a climate-resilient, low-emissions transition can be achieved without sacrificing human rights or economic security. Just Transition

<sup>&</sup>lt;sup>3</sup> https://docc.gov.vu/index.php/lnd/lnd-policy

principles are therefore embedded in all NDC 3.0 commitments, ensuring that people, especially those whose livelihoods may be affected by the phase-out of fossil fuels, are not left behind. Labor rights for those affected by the transition in Vanuatu contribute to social justice by promoting opportunities for all people to obtain decent and productive work in conditions of freedom, equity, security, and dignity. A just transition will ensure that this evolution is as fair and inclusive as possible and that it promotes the agency of the workers and organisations involved; respects, protects, and fulfills their rights.

This is achieved in practice by integrating Vanuatu's national wellbeing indicators—such as on community cohesion, environmental quality, and livelihood resilience—into decisions about the pace, scale, and financing of NDC 3.0 commitments. While some short-term disruptions to employment may occur, the Government affirms that the long-term economic, social, and environmental wellbeing of its people is better served by a fossil fuel—free, climate-safe future.

Vanuatu's NDC 3.0 reflects an explicit commitment to respect, protect, and fulfill core labor rights, including freedom of association, collective bargaining, and protection from discrimination. The NDC 3.0 implementation process will be underpinned by ongoing social dialogue with workers' unions, employers, civil society, and affected communities—particularly in sectors such as transport, energy, and tourism that may be impacted by the energy transition. The Government will prioritize decent work creation through targeted investments in clean energy, regenerative agriculture, ecosystem restoration, and climate-resilient infrastructure. Special emphasis will be placed on workforce reskilling and youth employment programs, particularly for women, persons with disabilities, people in rural and outer island communities, and others in vulnerable situations. These efforts will align with the national Employment Policy and draw on sectoral roadmaps already developed through participatory consultation processes.

In recognition of the risks that climate transitions can pose to human rights—especially through increased demand for mining of critical minerals—Vanuatu commits to ensuring that no NDC-aligned activity leads to human or environmental rights violations, whether inside or outside its borders, on land or on the deep sea bed. The Government will continue to assess and regulate supply chains, particularly in relation to imported renewable energy technologies, to avoid contributing to labor exploitation or environmental degradation abroad. At the national level, the Government will scale up implementation of the adaptive social protection policy, including through public works schemes, cash transfer programs, and community-based insurance mechanisms to support populations during periods of economic restructuring and climate volatility. Through this comprehensive approach, Vanuatu aims to become not only the world's first fossil fuel—free region, but also a global model of inclusive, rights-based, and people-centered climate action

It is Vanuatu's unambiguous expectation, based on legal obligations of the UNFCCC, Paris Agreement and other international laws, that developed country Parties shall provide financial resources to assist Vanuatu with respect to the Just Transition efforts outlined in this NDC 3.0, and take the lead in mobilizing climate finance from a wide variety of sources, instruments and channels, with primacy given to public funds, towards Vanuatu's Just Transition pathways.

#### Participatory Planning, Implementation and Monitoring

Vanuatu's NDC 3.0 is founded on a deeply inclusive and participatory planning process, reflecting the lived realities, voices, and aspirations of our island people. Each sectoral policy that forms the foundation of the NDC has undergone extensive local, subnational, and national consultation processes prior to endorsement by the Council of Ministers. These policies were shaped by dialogues across provinces, area councils and communities, ensuring the integration of Indigenous knowledge, local priorities, and traditional governance systems. The Ministry of Climate Change, with the support of GGGI and the Pacific NDC Hub, also undertook one-on-one consultations with experts, government and non-government leaders at all levels and across sectors to capture nuanced perspectives and ensure that the design of the NDC was grounded in country-wide consensus.

A major consultation was held on 24 April 2025 in which Stakeholders from across Vanuatu's public and private sectors, civil society, and development partners convened to consider how climate ambition could be expanded from 2025-2035, and assessing progress on NDC 2,0 commitments. This consultation also focused heavily on financing needs and sources identifying where the means of implication could originate from and how these funds should be dispersed to the last mile implementers of the NDC. From April to June 2025, the targets have been publicly available for further feedback and input from island representatives, provincial officials, civil society, the private sector, academic institutions and development partners. More than 40 submissions were received through this process, with careful integration of the views and recommendations made.

Throughout the NDC 3.0 development process, special emphasis has been placed on the inclusion of rights holders and members of society often underrepresented in national planning. There are significant structural and cultural barriers preventing the full and equitable participation of women and girls, children, the elderly, people with disabilities and gender-diverse people across all aspects of sustainable development planning, including climate planning. Vanuatu adheres to the principles of the International Covenant on Civil and Political Rights and other human rights instruments that stipulate that all people have the right to free, active, and meaningful participation, and acknowledges that public participation, access to information, freedom of expression, and freedom of assembly are human rights. Their application in this NDC 3.0 development process has helped to promote public support for climate action, contributed to higher ambition, and will likely improve the effectiveness and sustainability of the actions and commitments contained herein.

The focus on NDC 3.0 participation has included dedicated outreach to Indigenous Peoples and local communities, as well as traditional knowledge holders; groups in vulnerable situations such as women in all their diversity, youth, children, persons with disabilities, and climate displaced individuals; remote villages that are economically isolated; national and grassroots civil society movements; human rights and gender institutions; and private sector networks and associations. The National Advisory Board on Climate Change and Disaster Risk Reduction (NAB) played a central role in the validation of NDC priorities, supported by its technical working groups comprising government, civil society, private sector, and development partners. Multiple in-person consultations, validation meetings, and iterative review processes ensured transparency, mutual accountability, and alignment with community values. This approach establishes Vanuatu's NDC 3.0 as a global model for inclusive, rights-based climate action, and a foundation for the whole-of-society Country Platform approach now being implemented to ensure complementary, coherent, coordinated and programmatic implementation.

#### NDC Enhancement

Pursuant to Articles 4.2 and 4.11 of the PA and Decision 1/CP.21 paragraph 23, the Republic of Vanuatu, taking into account its national circumstances and capabilities, hereby communicates its revised and further enhanced Nationally Determined Contribution 3.0 under the agreement for 2025-2035. The Government of the Republic of Vanuatu notes with great concern that the objective of the agreement can only be achieved by intensifying the level of action significantly, complemented by international support, to achieve conditional contributions, as reflected in the Nationally Determined Contribution (NDC).

In that spirit, the Republic of Vanuatu presents NDC 3.0; 2025-2035 and calls on all Parties to increase their ambitions in line with the best available and most recent science and obligations under the Agreement.

#### Vanuatu's NDC 3.0

#### NDC 3.0 Mitigation Contribution

Туре	Activity-based mitigation targets, sectoral and policy targets in key sectors including emissions reduction in some sub-sectors. The GHG emission reduction targets in this section are all conditional upon international support (financial and technical support) made available.					
Coverage	Energy; Transport, Agriculture, Forestry and Other Land Use (AFOLU), Waste, Wastewater and Trade.					
Timeframe	From 1st January 2025-31st December 2035. Single year targets – 2035, including updates on 2030 targets.					

Vanuatu submitted its initial NDC to the UNFCCC on 21st September 2016, and its revised and enhanced NDC 2.04 on 9th August 2022.

This enhanced NDC 3.0 contribution is aligned with the ambition of the Updated Vanuatu Energy Roadmap 2016-2030<sup>5</sup>, including 11 policy targets for electricity generation that fall under the framework's key priority strategic areas of energy access, energy affordability, energy security as well as climate resilience. The NDC is also grounded in the National Sustainable Development Plan, the Climate Change and Disaster Risk Reduction Policy, the NDC Implementation Road Map<sup>6</sup>, the NSDP monitoring and Evaluation Framework<sup>7</sup>, the Vanuatu Coconut Oil for Fuel Strategy, Vanuatu National Coconut Strategy 2016 – 2025<sup>8</sup>, Vanuatu National Energy Efficiency Strategy and Action Plan (NEESAP) 2022-2030<sup>9</sup>, Vanuatu's Low Emissions Development Strategy (LEDS)<sup>10</sup>, Vanuatu's 1st Biennial Transparency Report to the Paris Agreement<sup>11</sup>, and the Vanuatu NDC On-Grid Electricity Investment Strategy<sup>12</sup>.

The mitigation commitments of Vanuatu's NDC 3.0 enjoy legal backing through the Electricity Supply Act (ESA), Utilities Regulatory Authority Act (URA Act) as well as Electricity Supply Concession contracts, thereby limiting risks of legal barriers to implementation, and enhancing the opportunities for private sector investment and donor support for full financing.

#### Moving beyond Business as Usual (BAU) Emissions<sup>13</sup>

Vanuatu's total greenhouse gas emissions (excluding removals) increased from 62.94 kt CO<sub>2</sub> eq in 1994 to 507.68 kt CO<sub>2</sub> eq in 2023. This represents an increase of 707% compared to 1994. Emissions peaked in the year 2000 amounting to 663.89 kt CO<sub>2</sub> eq, which is the highest level of GHG emissions ever reported in Vanuatu. Post-2000, emissions declined to 506.22 kt CO<sub>2</sub> eq in 2007 but remained consistently high compared to 1994. There was a subsequent increase, reaching 554.15 kt CO<sub>2</sub> eq in 2010, followed by a sharp decrease in 2009 reaching 423.44 kt CO<sub>2</sub> eq. Between 2011 and 2015, emissions showed minor fluctuations but remained within the 574.32 – 594.37 kt CO<sub>2</sub> eq range. The emissions have decreased during the years 2018 to 2022 from 586.17kt CO<sub>2</sub> eq in 2018 to 451.55 kt CO<sub>2</sub> eq in 2022 respectively.

<sup>&</sup>lt;sup>4</sup> https://unfccc.int/sites/default/files/NDC/2022-08/Vanuatu%20NDC%20Revised%20and%20Enhanced.pdf

<sup>&</sup>lt;sup>5</sup> http://ngef.vu/national-energy-road-map/

<sup>&</sup>lt;sup>6</sup> https://docc.gov.vu/images/publications/reports/Vanuatu NDC Update Report r2.pdf

<sup>&</sup>lt;sup>7</sup> gov.vu/images/publications/NSDP M&E Framework.pdf

<sup>&</sup>lt;sup>8</sup> <a href="https://pafpnet.spc.int/attachments/article/651/Vanuatu%20National%20Coconut%20Strategy%202016-2025.pdf">https://pafpnet.spc.int/attachments/article/651/Vanuatu%20National%20Coconut%20Strategy%202016-2025.pdf</a>

<sup>9</sup> https://prdrse4all.spc.int/sites/default/files/vanuatus-neesap-2022-2030.pdf

<sup>10</sup> docc.gov.vu/images/publications/reports/Vanuatu\_LEDS.pdf

<sup>11</sup> https://unfccc.int/sites/default/files/resource/Vanuatu-%20BTR1.pdf

<sup>12</sup> docc.gov.vu/images/legislation/strategy/Vanuatu NDC On Grid Electricity Investment Strategy.pdf

<sup>&</sup>lt;sup>13</sup> Vanuatu LEDS <a href="https://gggi.org/wp-content/uploads/2022/12/22216">https://gggi.org/wp-content/uploads/2022/12/22216</a> Vanuatu-Low-Emission\_v06\_RC\_LQ\_compressed.pdf

In 2023, total greenhouse gas emissions amounted to 507.68 kt CO<sub>2</sub> eq, according to the national GHG inventory of Vanuatu submitted to the UNFCCC as part of the 2024 Biennial Transparency Report, and is estimated using the tier 1 methodology and using Default emission factors provided by the 2006 IPCC Guidelines for the direct GHGs emissions.

The key sector with increasing emissions over the period 1994-2023 includes the Energy sector (increased by 145.50%), followed by the waste sector which shows an increase by 68% during the period 2000-2023, while Agriculture sector shows a decreasing trend (decreased by 44% during 2000-2023).

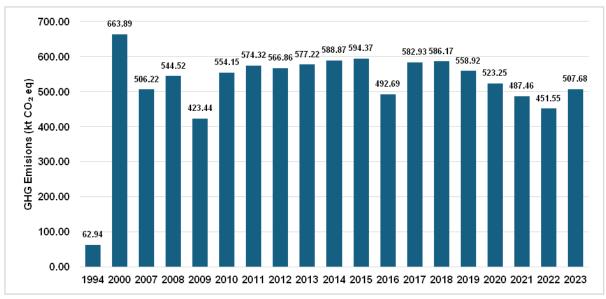
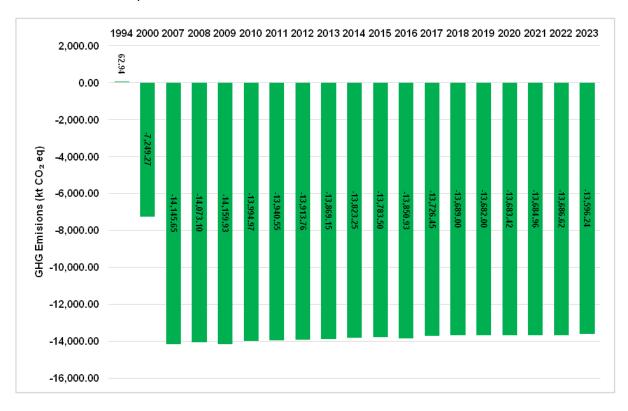


Figure 2: Total GHG emissions (excluding removals) per year, kt CO<sub>2</sub> eq

However, Vanuatu is net carbon negative, since the Land Use, Land Use Change and Forestry (LULUCF) sector is a net sink of CO<sub>2</sub> in Vanuatu. In 2023, the net GHG emissions amounted to – 13,596.24 kt CO<sub>2</sub> eq in 2023.



#### Figure 3: Total net GHG emissions per year, kt CO2 eq

This NDC commits Vanuatu to a substantially lower emissions pathway, well below Business as Usual (BAU). In the BAU pathway, fuel imports are expected to grow from 2.4 PJ in 2020 to 4.9 PJ in 2050. The majority of fuel demand is diesel. Of total diesel demand of 3.7 PJ, the transport sector uses 1.7 PJ, electricity uses 1.3 PJ and industry uses 0.7 PJ.

In the BAU pathway in the agriculture, forestry, and land use sectors, forest area remains constant but is degraded due to increasing fuel wood losses. The currently reported forest area of 440,000 hectares (36.3% of land area) 11 is maintained but forest fuel wood losses increase with population growth. Fuel wood consumption climbs from 182,000 m3 in 2020 to 269,000 m3 in 2050. Fuel wood consumption is estimated at 2.23 m 3 per household per year.

Other drivers of forest degradation and deforestation in Vanuatu include human-induced activities such as agricultural expansion (e.g. small-scale subsistence farming, semi-commercial farming), forestry (e.g. logging), infrastructure development (e.g. tourism, residential settlements), as well as natural occurrences (e.g. tropical cyclones, invasive species).

In the BAU pathway, livestock production continues with the same herd and flock size and practices as the latest estimates available.

Vanuatu's GHG emissions in the BAU pathway for the agriculture, forestry, and land use sectors is dominated by livestock-sector emissions. Though the livestock sector is modelled as consistent in the size of herd and flock, and practices, the substantial weight of emissions from this sector continue to outweigh emissions from electricity generation, industry, residential, transport, and waste sectors. By 2050, the emissions from these sectors (419,000 tonnes CO2 -e) will approach the current emissions from the livestock sector (428,000 tonnes CO2 -e). Overall emissions are 39% higher in 2050 than at the most recent GHG inventory (610,000 tonnes CO2 -e in 2015.

Under the BAU pathway, Vanuatu's forests absorb a declining amount of forest carbon in the years 2030 to 2050. The decline in forest carbon removals is due to increased demand for fuel wood, principally for cooking. The volume of fuel wood consumption increases to almost 270,000 m3 of wood per year in 2050. Net carbon removals are anticipated to decrease from approximately 6,340,000 tonnes in 2020 to 5,880,000 tonnes in 2050.

#### Specific greenhouse gas emissions

#### Carbon dioxide (CO<sub>2</sub>)

The energy sector and its sub-sectors are the main source of CO<sub>2</sub> emissions, accounting for approximately 100% of CO<sub>2</sub> emissions (excluding the LULUCF sector as it is a net sink). The CO<sub>2</sub> emissions from Vanuatu have shown an increasing trend from 1994-2023, the CO<sub>2</sub> emissions in 1994 was 55.15 kt and increased to 152.79 kt in 2023, indicating an increase by 177%. The combustion of fossil fuels remains the main contributor of CO<sub>2</sub> emissions in Vanuatu.

#### Methane (CH<sub>4</sub>)

About 93% of Methane emission in Vanuatu comes from the agriculture sector i.e. from Livestock-Cattle, Swine, Horses, Goat and Chicken; enteric fermentation and manure management. The waste sector (Solid waste -MSW, Wastewater) is the second largest source of CH<sub>4</sub> emissions, accounting about 6.9% of emissions. A minor portion of methane emissions come from the energy sector; mainly as the emissions from combustion of fossil fuel (0.01%). In 2023, Methane emissions were 10.83 kt compared to 16.01 kt in 2000, indicating a decrease by 32.36% over the period 2000-2023.

#### Nitrous oxide (N2O)

The Nitrous oxide ( $N_2O$ ) emissions in Vanuatu were 0.19 kt in 2023 and 0.03 kt in 1994, which indicates an increase of about 17.34% from 1994-2023. In 2023, the main source of  $N_2O$  emissions in Vanuatu was livestock (manure management)(89%), Wastewater treatment and handling (8%) and energy sector (3%) mainly transport sector tail gas emissions (mobile combustion) and minor emission from stationary combustion.

#### Other GHGs (HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub>) and indirect emissions (NOx, CO, NMVOC and SO<sub>2</sub>)

The emissions of other GHGs i.e. hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and Sulphur hexafluoride (SF<sub>6</sub>) are insignificant as sources of these gases are not imported or sold in Vanuatu; hence direct emission of these gases does not occur; however small amount of these gases present in equipment like ACs, refrigerators, switchboards and circuit-breakers, etc. There are only trace anthropogenic emissions of NOx, CO, NMVOC and SO<sub>2</sub>.

#### NDC 3.0 overall emissions reduction goal by 2035

The NDC 3.0 will, if fully financed and implemented, reduce emissions from all sectors by 1,608.57 kt CO<sub>2</sub> eq by 2035, thus providing a clear and unambiguous overall emission reduction goal aligned with equity (acknowledging the conditional nature of the NDC which requires external financing), as well as the imperative to limit global warming to 1.5°C.

This NDC 3.0 maintains Vanuatu's position to become a Fossil Fuel Free Pacific<sup>14</sup>, the first region in the world to achieve the equitable phaseout of fossil fuel production and use. Given Vanuatu's net negative emissions profile currently, this NDC 3.0 requires no reliance on carbon offsets or technological false solutions such as Carbon Dioxide Removal (CDR) and Carbon Capture and Storage (CCS), while offering meaningful carbon cooperation opportunities to other countries which are not able to meet their emission reduction targets in the short term, and providing Vanuatu with important resources to further reduce domestic emissions, expand adaptation and address losses and damages.

This NDC 3.0 will see emissions from electricity generation reduced by 715 kt CO<sub>2</sub> eq overall. In the low emissions pathway outlined by this NDC 3.0, Vanuatu's energy supply composition is redirected towards lower emissions, cleaner and local fuel sources. The NDC pathway sees substantial reductions in the supply of fuel wood (-2.5PJ), diesel (-2.3 PJ) and gasoline (-0.3 PJ) compared to BAU. These energy sources are substituted by solar, wind, hydro, coconut oil, biogas, and biomass (collectively 2.3 PJ).

In addition to changing fuel supply composition, improvements in end use efficiency reduce overall energy demand. End use efficiency gains are made through adoption of technology with greater efficiency for the same fuel sources, such as replacing open fires with efficient wood stoves, and as well as technology with greater efficiency from alternative fuel sources, such as replacing diesel vehicles with electric vehicles. The overall impact of improvements in end use efficiency in residential, industrial, services, and transport sectors are a reduction in the required annual energy supply by 2.7 PJ, from 8.0 PJ to 5.3 PJ by 2050. The NDC 3.0 will, if fully implemented, reduce emissions from energy efficiency by 60.1 kt  $CO_2$  eq overall.

In addition to lower energy demand and cleaner fuel sources, Vanuatu's NDC 3.0 outlines additional emissions reductions actions in the livestock, waste, and forestry sectors to assist and reduce overall emissions from the BAU pathway and the overall balance of Vanuatu's emissions. Compared with a 2020 baseline of emissions, this NDC 3.0 pathway decreases net emissions by 25,000 tonnes CO2-e by 2050 while the BAU pathway increases net emissions by 460,000 tonnes CO 2-e by 2050. In both the BAU and NDC 3.0 pathways, Vanuatu remains net negative emissions due to the forest sector carbon removals. The NDC 3.0 will, if fully implemented, reduce emissions from Agriculture, Forestry, and Other Land Use (AFOLU) by 587.07 kt CO<sub>2</sub> eq overall. It is important to note that within the AFOLU category, Nature-based Solutions (NbS) comprise the

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<sup>14</sup> https://www.vanuatuicj.com/call

protection, restoration and sustainable use of forests, and pasturelands, as well as other ecosystems. Vanuatu NbS included in this NDC 3.0 can deliver a large percentage of the cost-effective  $CO_2$  eq mitigation required through 2035, as well as providing co-benefits and adaptation outcomes.

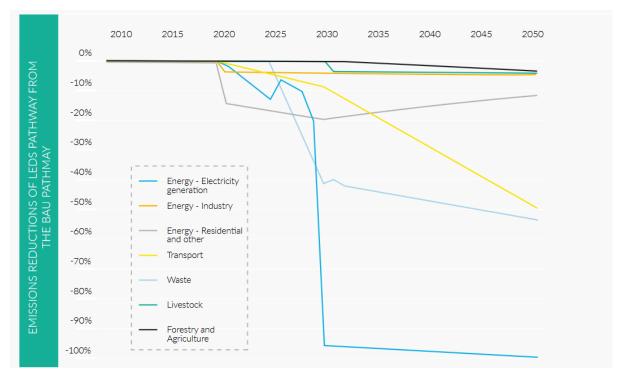


Figure 4: Emissions reductions of the LEDS pathway from the BAU pathway<sup>15</sup>

In keeping with the global stocktake outcome to triple renewable energy and double energy efficiency, Vanuatu's NDC 3.0 mitigation contribution would reduce business as usual (BAU) emissions in the electricity sub-sector by 100% and in the energy sector overall by 30%. These targets are conditional, depending on funding commensurate with putting the transition in place being made available from external sources. In addition, the transition to renewable energy-based electricity could be accelerated through the substitution of fossil fuels for locally produced biofuels. Opportunities for reducing the high emissions levels in agriculture and livestock sectors will be simultaneously pursued through cooperative programmes with nations having similarly high emissions in these sectors. The forestry sector mitigation was to be treated as part of the existing REDD+ programme. The Government has prioritised the waste management sector as a key source of emissions.

As can be seen by the whole-of-society approach to all greenhouse gas emissions, Vanuatu seeks to address all sources of emissions, both public and private, subject to Vanuatu's jurisdiction and control. As international human rights law is clear that States have obligations to take affirmative action to prevent foreseeable human rights harms caused by climate change, Vanuatu aims to undertake effective measures to assess and limit anthropogenic emissions of greenhouse gases and to effectively regulate the conduct of all actors under its jurisdiction, including with respect to emissions that occur extraterritorially. For Vanuatu, this includes NDC 3.0 commitments to mitigate emissions occurring as a result of the consumption of goods — those ultimately resulting from the export of fossil fuels or those associated with the conduct of businesses under its jurisdiction, even as these emissions occur abroad (see for example the transport, green building and waste emissions reductions commitments contained in the NDC 3.0).

<sup>&</sup>lt;sup>15</sup> Vanuatu LEDS: https://gggi.org/wp-content/uploads/2022/12/22216 Vanuatu-Low-Emission\_v06\_RC\_LQ\_compressed.pdf

With the additional measures articulated in this enhanced NDC 3.0 scenario, Vanuatu anticipates 2035 emissions of 343.25 kt  $\rm CO_2$  eq, a 31.37% reduction from business as usual, and by 2050, 305.71 kt  $\rm CO_2$  eq, a 36.27% reduction compared to the BAU scenarios. Overall, this NDC 3.0 will, if fully implemented, reduce emissions from all sectors from 2025-2035 by 1,608.57 kt  $\rm CO_2$  eq by 2035.

Table 1: Emissions reductions in kt CO<sub>2</sub> eq by 2035 by mitigation sector commitment

Sector	NDC 3.0 Commitment	Emissions Reductions in kt CO <sub>2</sub> eq by 2035		
Electricity Generation	M1	615.7		
	M2	73.2		
	M4	17.1		
	M6	9.3		
Energy Efficiency	M7	8.5		
	M8	12		
	M10	4.6		
	M11	7.9		
	M12	4.1		
	M13	23		
Transport	M15	98.6		
	M17	26.1		
	M18	185		
	M19	2.9		
Commercial and Residential Buildings	M20	78		
	M21	35		
	M22	3.5		
Agriculture, Forestry, and Other Land Use (AFOLU)	M23	27.5		
	M24	309.77		
	M25	187.6		
	M26	62.2		
Solid Waste	M27	148.5		
	M28	109.4		

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	M29	12.7		
	M30	7.1		
Waste Water	M31	148.5		
	M32	6.5		
	TOTAL	1,608.57 kt CO <sub>2</sub> eq by 2035		



#### Mitigation (M1 – M33)

# NDC 3.0 tables will be professionally formatted, and now include information Finance Required, Progress, Gaps and Sources/Instruments, for example:

	Commitment			Sector Policy	Policy Reference	NSDP Reference	SDG Goal Most Relevant	Conditionality (Expressed as %)	Finance Required USD
A1	Vanuatu commits to mainstream climate variability, climate change and disaster risk reduction using adaptation and mitigation strategies in all agriculture initiatives and developments (Agriculture Sector Policy 12.1), including provide adequate funding for activities to address climate change (VASP 12.1.4).			Agriculture Sector Policy	12.1, 12.1.4	ENV 1.5	2 MUNGER	85	17,500,000  Preferred Sources: 1, 2, 7, 12, 15
Significant Progress from NDC 2  Gaps: 1, 5, 8, 11, 16  Vegetable Strategy with clim								Updated	
A2	preparedness plans for the productive sector.		Overarching Productive Sector Policy	5.2	ENV 1.5	2 ZERO HUNGER	60	2,500,000  Preferred Sources: 1,6,14	
Min	Minimal Progress from NDC 2 Gaps 2,3,6,7, 8, 11, 12, 13, 15, 16 Context/Achievements: No respond after each major dis				r climate respon	se plans exist, al	through the Food	d Secuirty and Agricuo	ture Cluster
А3	the resilience of subsistence agriculture in all six provinces			NDC Ag2 Adaptation	Ag2 ENV	ENV 1.5	2 ZERO HUNGER	70	30,000,000
	by 2030 (NDC /	Adaptation Target Ag2)		Targets					Preferred Sources: 1, 2, 6, 7, 12, 14, 15
M	Moderate Progress from NDC 2 Gaps: 9,10,14 Context/Achievements: Foo adaptation handbook and tra								

VIEW THE NDC 3.0 MITIGATION TARGETS: <a href="https://docs.google.com/spreadsheets/d/1aT-5MATOU\_o1VtEslhsbp9PNSJUSd0SWi6uEKBRflhs/edit?usp=sharing">https://docs.google.com/spreadsheets/d/1aT-5MATOU\_o1VtEslhsbp9PNSJUSd0SWi6uEKBRflhs/edit?usp=sharing</a>

#### Mitigation Finance – Electricity Generation (Commitments M1 – M6)

The six electricity generation commitments are estimated to cost approximately USD 72.8 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF, Regional Pacific NDC Hub), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, SPC, SPREP), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 9) domestic government budget (e.g., parliamentary budget allocation), 10) corporate finance and ESG initiatives, 12) impact and investment funds, 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), 14) and carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers).

Preferred instruments include concessional MDB or multilateral climate fund loans blended with grants for grid upgrades, utility-scale solar PV, battery storage, coconut-biofuel facilities and outer-island mini-grids, supplemented by PPP structures and green or sustainability-linked bonds issued via national climate funds or domestic budget. Performance-based grants and verified carbon-credit purchase agreements would reward delivered renewable generation and diesel displacement, while partial-risk guarantees, impact investment equity, and commercial-bank colending could de-risk independent power producers and crowd in private finance.

Sources and instruments footnotes: 1 - 6, 9, 10, 12 - 14.

#### Mitigation Finance - Energy Efficiency (Commitments M7 - M14)

The eight energy efficiency commitments are estimated to cost approximately USD 3.7 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, CIF), 3) multilateral development trust funds and programs, 4) Institutional development partners (e.g., UNDP, UNIDO, UNCDF, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 9) domestic government budget (e.g., parliamentary budget allocation), 12) impact and investment funds (, 13) private sector finance and commercial banks (e.g., bank credit lines), and 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market revenue).

Preferred instruments include concessional MDB or multilateral climate fund loans channeled via national climate funds or domestic budget, on-bill-repayment credit lines for high-efficiency appliances, and small green or sustainability-linked bonds to fund the testing laboratory and public-facility retrofits. Performance-based grants, results-based energy-savings payments, partial-risk guarantees, impact investment equity, commercial-bank efficiency loans and verified carbon-credit off-take agreements would reward measured demand reductions and crowd in private capital for appliance labelling, LED roll-outs and green-building upgrades.

Sources and instruments footnotes: 1 - 6. 9. 12 - 14.

#### Mitigation Finance – Transport (Commitments M15 – M19)

The five transport commitments are estimated to cost approximately USD 47.5 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, CIF, SCF, PRF), 3) multilateral development trust funds and programs, 4) Institutional development partners (e.g., UNDP, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 9) domestic government budget (e.g., parliamentary budget allocation), 11) corporate finance and ESG initiatives, 12) impact and investment funds, 13) private sector finance

and commercial banks (e.g., NBV, BSP, ANZ, BRED), and 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market revenue).

Preferred instruments include concessional MDB or multilateral climate fund loans channelled through domestic budget allocations, green or sustainability-linked bonds, and vehicle-leasing credit lines to finance charging infrastructure, e-buses and biodiesel production. Performance-based grants, verified carbon-credit off-take agreements, and partial-risk guarantees would reward documented fuel-savings, de-risk private fleet investments and crowd in corporate ESG funds, impact investors and commercial banks.

Sources and instruments footnotes: 1 - 6, 9, 11 - 14.

#### Mitigation Finance – Commercial, Institutional and Residential (Commitments M20 – M22)

The three commercial, institutional and residential commitments are estimated to cost approximately USD 128.4 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF), 3) multilateral development trust funds and programs, 4) Institutional development partners (e.g., UNDP, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 12) impact and investment funds, 13) private sector finance and commercial banks (e.g., NBV, BSP, ANZ, BRED), and 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market revenue).

Preferred instruments include layered concessional MDB or multilateral climate fund loans, green or sustainability-linked bonds, and partial-credit guarantees to finance mini-grids, public-facility connections, biogas digesters and green-building construction. Performance-based grants, on-bill-repayment or pay-as-you-save credit lines, and verified carbon/energy-savings certificates would reward measured efficiency gains and create revenue streams that attract impact investment equity and commercial co-lending, supplemented where appropriate by voluntary or compliance carbon-market off-take agreements.

Sources and instruments footnotes: 1 - 6, 12 - 14.

#### Mitigation Finance - Livestock: AFOLU (Commitments M23 - M25)

The three Livestock AFOLU targets are estimated to cost approximately USD 1.8 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF), 3) multilateral development trust funds and programs, 4) Institutional development partners (e.g., UNDP, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 7) national development banks (e.g., VRDB), and 13) private sector finance and commercial banks (e.g., NBV, BSP, ANZ, BRED).

Preferred instruments include layered results-based grants and performance-payment windows from multilateral climate and development trust funds, MDBs and bilateral partners to reward verified reductions in enteric and manure emissions while underwriting farmer-training, feed trials and monitoring. Where capital outlays are needed (e.g., pasture conversion or small-scale anaerobic digesters) use of concessional MDB credit, sustainability-linked micro-loans, and impact/green bonds can mobilise commercial-bank co-investment, de-risked by guarantee facilities or first-loss tranches.

Sources and instruments footnotes: 1 – 5, 7, 13.

Mitigation Finance – Forestry: AFOLU (Commitment M26)

The one forestry (AFOLU) commitment is estimated to cost approximately USD 3.9 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF), 3) multilateral development trust funds and programs, 4) Institutional development partners (e.g., UNDP, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 7) national development banks (e.g., VRDB), 12) impact and investment funds, 13) private sector finance and commercial banks (e.g., NBV, BSP, ANZ, BRED), and 14) carbon markets and compliance schemes (e.g., REDD+, voluntary and compliance carbon-market revenue).

Preferred instruments will include results-based payments and purchase agreements for verified emission reductions (e.g., REDD+ or other voluntary/compliance carbon credits) coupled with performance-based grants from multilateral climate funds and MDB trust facilities. Up-front capital for monitoring, community stewardship and enforcement can be raised through green or sustainability-linked bonds and concessional MDB loans, backed by partial-credit guarantees. Impact investment equity and blended-finance vehicles with commercial banks and ESG investors could support certified timber and non-timber value chains.

Sources and instruments footnotes: 1 - 5, 7, 12 - 14.

#### Mitigation Finance - Municipal Solid Waste (Commitments M27 - M30)

The four municipal solid waste commitments are estimated to cost approximately USD 136.7 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF), 3) multilateral development trust funds and programs, 4) Institutional development partners (e.g., UNDP, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 12) impact and investment funds, 13) private sector finance and commercial banks (e.g., NBV, BSP, ANZ, BRED), and 14) carbon markets and compliance schemes (e.g., REDD+, voluntary and compliance carbon-market revenue).

Preferred instruments include concessional MDB or multilateral climate fund loans blended with grants to finance waste-to-energy plants, composting facilities and segregated landfills, structured where feasible as PPP concessions backed by partial-risk guarantees. Performance-based grants, methane-reduction carbon-credit purchase agreements, and green or sustainability-linked bonds would create revenue streams that attract impact investment equity and commercial-bank colending for recycling systems and plastics-reduction initiatives.

Sources and instruments footnotes: 1 - 6, 12 - 14.

#### Mitigation Finance - Wastewater (Commitments M31 - M32)

The two wastewater commitments are estimated to cost approximately USD 139.6 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF), 3) multilateral development trust funds and programs, 4) Institutional development partners (e.g., UNDP, GGGI, Regional Pacific NDC Hub), and 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD).

Preferred instruments include concessional MDB and multilateral climate fund loans blended with grants to design and build the Port Vila treatment plant through a PPP arrangement, backed by risk-sharing guarantees and, where viable, debt-for-climate swaps to ease the fiscal burden. Performance-based grants and results-based payments would finance community bio-toilets and reward verified reductions in effluent discharge, with dedicated technical assistance windows strengthening local capacity and regulatory oversight across both commitments.

Sources and instruments footnotes: 1 - 5.

#### Mitigation Finance - Trade (Commitment M33)

The one trade commitment is estimated to cost approximately USD 5 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF), 3) multilateral development trust funds and programs, 4) Institutional development partners (e.g., UNDP, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 8) national pension fund (e.g., VNPF), 9) domestic government budget (e.g., parliamentary budget allocation), 12) impact and investment funds, 13) private sector finance and commercial banks (e.g., NBV, BSP, ANZ, BRED), and 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market revenue).

Preferred instruments include concessional MDB or multilateral climate fund loans blended with grants to cover resource-assessment drilling, legal due-diligence and land-concession negotiations, backed by risk guarantees or performance-based convertible grants. Should geothermal resources prove bankable, impact investment equity, green or sustainability-linked bonds, and forward carbon-credit purchase agreements can crowd in commercial co-lending to further strengthen geothermal project finance.

Sources and instruments footnotes: 1 - 6, 8, 9, 12 - 14.

#### NDC 3.0 Adaptation Contribution

Vanuatu has prioritised transformative adaptation action in its National Climate Change and Disaster Risk Reduction Policy 2nd edition, with a strategic goal of resilient development, including implementing activities that enable Vanuatu to absorb and quickly bounce back from climate shocks and stresses. Given Vanuatu's current net-negative emissions profile, the highest priority of the Government is to enable and expand support for grassroots adaptation. In this context, Vanuatu is currently preparing its first National Adaptation & Loss and Damage Plan (NALDP), a document which will further elaborate the range of adaptation and loss and damage interventions that require additional technical and financial means of support, and represent the highest priorities for stakeholders at all levels.

The following Adaptation Targets have been defined in an inclusive, participatory and decentralised way by the sectors that are themselves implementing and planning for a resilient future. For each target, the specific policy reference is provided, as well as the link to Vanuatu's National Sustainable Development Plan (NSDP), the most relevant Global Sustainable Development Goal (SGD), the level of conditionality of finance required from developed country Parties, and the overall financial envelope to successfully meet the target by 2035.

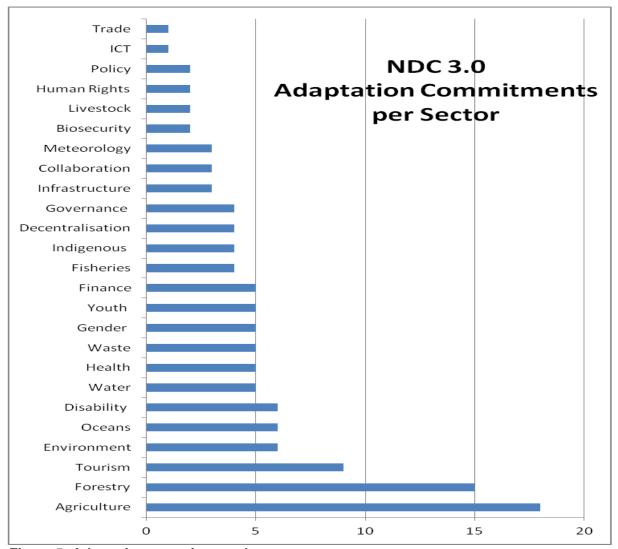


Figure 5: Adaptation commitments by sector

#### Agriculture (A1 – A18)

Sixty per cent (60%) of Vanuatu's population relies on agriculture as the basis of household incomes and livelihoods, and it accounts for more than 25% of GDP. A considerable portion of agricultural activity is micro-scale subsistence, for household consumption or sale at local markets, and dependent on rainfall, making the sector extremely vulnerable to climate impacts, loss and damage and other external shocks. Additional challenges include island infrastructure limitations, with substantial upfront investment required for establishing and maintaining local food markets and shortening nutrition- and fresh food-sensitive supply chains which are logistically complex.

Adaptation in the agriculture sector is one of the government's highest priorities, with a goal of agriculture's ability to support household income and food needs in a changing climate. Vanuatu acknowledges that food is a fundamental human right that is accomplished when people have timely and permanent physical, economic, and social access to food in sufficient quantity and quality for adequate consumption. This right to food security contributes to the wellbeing of the people of Vanuatu and to the fulfilment of their dietary and cultural needs. There are important cobenefits for adaptation in Vanuatu's efforts to cut GHG emissions in the Agriculture sector, including improved health, greater economic integration, enhanced educational opportunities, and access to new technologies and cultivars, all of which build resilience and yield better outcomes for Vanuatu's island farmers and their livelihoods.

Vanuatu has integrated the biodiversity focused targets of its revised and enhanced National Biodiversity Strategy and Action Plan (NBSAP) into this NDC 3.0, including for example strengthening agrifood system resilience-focused efforts to ban the use of agricultural inputs that are harmful to human health, wildlife and ecosystems, such as synthetic pesticides and fertilizers, and improving the availability and affordability of locally produced, healthy and sustainable food options to replace imported, unhealthy, ultra-processed foods high in fats, sugars and salt. The promotion of backyard gardens and provincial food basket cultivar distribution sites is a component of many climate programmes. In order to improve connectivity between island-based rural, periurban, and urban farmers and consumers, Vanuatu is working on a range of integrated interventions, including new and improved feeder roads, enhanced market infrastructure, food storage and preservation technologies to provide consumers a greater diversity of nutritious locally grown foods. Efforts are underway to establish and strengthen farmer cooperatives and associations across diverse value chains (coconut, fruits and vegetables, root crops, kava etc) to enable co-investment and sharing of the costs for farm inputs and the marketing of their products.

The use of digital technologies is expanding, including with smartphone apps and social media platforms, to improve cooperation and horizontal coordination between farmers and fishers, retailers and consumers. Considerable efforts are being expended on investigating, in situ testing and sharing of climate resilient cultivars, as diversified foods and crops, grown with indigenous and traditional farming practices, have been shown to better cope with stresses such as drought, heat, flooding, and salinity, as well as worsening pest outbreaks associated with climate change. Other adaptation solutions being employed include the provision of grants and subsidies for small-scale producers affected by climate change to coinvest in adaptive technologies and rehabilitation. Several programmes by government, civil society and private sector organisations enable local producers to adopt and expand indigenous and sustainable agricultural practices, including agroforestry and regenerative agriculture, that help reduce the costs of production and processing, and are often linked with conservation and agroecological landscape protections. Most farmers are implementing traditional knowledge-based soil fertility management and integrated pest and disease management approaches that are safe for plants, animals, people and the environment.

These and other Nature Positive agrifood interventions are a core focus of the Department of Agriculture and Rural Development and its partners. Representatives from the Ministry of Agriculture provide coordinated and complementary policy inputs into both the Biodiversity Advisory Council responsible for the NBSAP and the National Advisory Board on Climate Change responsible for the NDC.

### VIEW THE NDC 3.0 AGRICULTURE TARGETS: https://docs.google.com/spreadsheets/d/1aT

#### Agriculture Adaptation Finance - Commitments A1 - A18

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The 18 agriculture commitments are estimated to cost approximately USD 158 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 7) national development banks (e.g., VRDB), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), and 15) insurance and risk transfer mechanisms (e.g., PCRIC, PICAP).

Preferred instruments include grants and concessional MDB or multilateral climate fund loans blended with technical-assistance windows to finance extension services, climate-smart seed systems, on-farm infrastructure and market-chain upgrades, channelled through the National Development Bank and supported by green or resilience bonds and credit-guarantee facilities that lower borrowing costs for smallholders and agriculture MSMEs. Index-based drought and cyclone insurance, parametric risk pools, and results-based payments for verified resilience outcomes will crowd in private insurers, impact investment equity and commercial-bank co-lending, ensuring that the 18 agriculture commitments can scale while managing climate, price and credit risks across Vanuatu's productive landscape.

Sources and instruments footnotes: 1 - 5, 7, 9, 13, 15.

#### Biosecurity (A19 – A20)

In the context of a changing climate, Vanuatu will continue to protect its borders against the introduction and spread of foreign pests and diseases that affect crops, animals, humans and the environment. Vanuatu has observed the effects that rising temperatures, atmospheric CO2 levels, and changing precipitation patterns have on pests, including triggering an expansion of their geographic range across the archipelago, and upwards into higher elevations, increased number of generations, increased risk of invasive insect species and insect-transmitted plant diseases, as well as changes in their interaction with host plants and natural enemies. A range of new pests and diseases, many linked to shifts in climate parameters, have caused considerable damage to crops, trees, livestock and local livelihoods. The increased impact of pest damage to crops and the environment due to climate change poses a great threat to the livelihood of Vanuatu citizens.

Biosecurity adaptation measures are therefore crucial to maintain good health, wellbeing and progress in our climate resilient community. Climate-smart pest management, and building resilience of Vanuatu's gardens and landscapes to changing pest threats, is a core part of Vanuatu's 2024 National Invasive Species Strategy and Action Plan (NISSAP), including efforts to revisit existing preventive agricultural practices and integrated pest management (IPM) strategies in order to develop more effective and locally adapted measures that are resilient enough to tolerate extreme weather fluctuations and slow onset climate changes. The implementation of climate smart pest and disease management is focused on ensuring that current practices are improved in the context of a changing climate, often by considering local climate observations and forecasting, as well as additional climate risk assessment, into the currently island-based pest management processes.

One of the barriers this NDC 3.0 attempts to overcome is that it is often not possible to generalise and make climate-smart pest and disease recommendations for the entire Vanuatu archipelago, which requires instead tailored and fit for purpose solutions depending on specific location, environmental context, and local capacities. For this reason, Biosecurity Vanuatu uses a multistakeholder approach, including coordination with Agriculture, Livestock, Fisheries and Forestry extension officers, border control officials, local producers associations, private sector organisations, the media and even the policy and mobile force to undertake integrated adaptation action. The integrated approach most commonly employed includes: prevention of arrival and spread; early detection and rapid response; and management through scaling up new and existing solutions, all with a climate parameter lens.

#### VIEW THE NDC 3.0 BIOSECURITY TARGETS: https://docs.google.com/spreadsheets/d/1aT-

#### Biosecurity Adaptation Finance - Commitments A19 - A20

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The two biosecurity commitments are estimated to cost approximately USD 6 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies).

Preferred instruments include grant-funded technical assistance and concessional MDB or multilateral climate fund loans blended with domestic budget allocations to finance surveillance laboratories, rapid-response teams and cross-border information systems, de-risked where necessary by credit enhancements. Results-based grants linked to pest-incidence thresholds would reward effective containment, while modest green or resilience bonds can fund ongoing monitoring and invasive-species assessments without overstretching public debt capacity.

Sources and instruments footnotes: 1 - 5, 9.

#### Fisheries (A21 – A24)

More than 60% of households in Vanuatu regularly undertake fishing activities in the coastal zone. Throughout the country, nearshore fishing is small-scale, artisanal and primarily carried out by traditional methods, using a broad range of fishing gear and techniques including with casting devices (lines, hand spears, bows and arrows, cast nets, and spearguns) and dormant devices (fish traps, gill nets, and stake nets, poisons) to catch a wide range of species. The fishing effort is mainly concentrated in shallow waters, where two-thirds of the fish are caught. Fishing is generally not villagers' sole activity, but is undertaken in conjunction with farming, hunting, livestock production, and various other domestic or traditional activities. While Vanuatu has extensive stocks of pelagic tuna and other species found in its EEZ, most activities are undertaken by foreign fishing fleets licensed to fish in Vanuatu waters. The direct and indirect effects of climate change are expected to reduce the productivity of coastal fisheries in Vanuatu by 20–50% by 2100.

Vanuatu recognises these severe adverse impacts of climate change on Vanuatu fisheries and marine ecosystems, and the need for the fisheries sector to urgently adapt and address the loss and damage from climate-related disasters. Confronting habitat degradation, caused by agriculture, forestry and other land-based activities in catchments, and overfishing due to population growth and other economic and social drivers, present the two greatest challenges to resilience and adaptation in coastal marine ecosystems. Population growth and urbanization, patterns of economic development, status of fisheries resources and other oceans, governance and political stability, markets and trade, fuel costs, technological innovation and foreign aid all currently influence fisheries and aquaculture resilience in Vanuatu.

Adjustments made to wild catch and coastal fisheries activities are central to adaptation in Vanuatu. Island communities are expanding the use of traditional marine management practices that keep catch numbers stable as the ocean warms and becomes more acidic, and extreme weather events become more intense and more frequent. Community based fisheries management and adaptation is therefore crucial to maintaining livelihoods and food security in ni-Vanuatu communities and for those in urban areas who depend on coastal resources. The management of fisheries in Vanuatu is undertaken in accordance with the National Fisheries Sector Policy, and built on a range of species- and issue-specific plans and strategies, including, interalia the Revised Tuna Fishery Management Plan, National Plan of Action for Seabirds, Sharks and Marine Turtles, Aquarium Trade Management Plan, Snapper Fishery Management Plan, and Sea Cucumber Management Plan.

Vanuatu communities and private sector stakeholders are implementing a range of adaptation options for fisheries, including the management and restoration of catchments, enhanced management of coastal fish habitats, including through community conservation areas and traditional taboos, regulation of certain fishing gears, and species and size restrictions, an expanded use of fish aggregating devices as well as the expansion of aquaculture to relieve the pressure on particularly vulnerable reef and coastal fishery systems. Some communities are actively rehabilitating coral reefs through mariculture activities, as well as removing harmful species like crown of thorns starfish. There is an expansion of community-based monitoring of ecosystem health, and catch data, including through the use of mobile-phone based reporting and information sharing apps. Most fisheries adaptation options in Vanuatu are being integrated into livelihood enhancement programmes, and are strong examples of win-win adaptation and sustainable development initiatives

#### VIEW THE NDC 3.0 FISHERIES TARGETS: https://docs.google.com/spreadsheets/d/1aT-

#### Fisheries Adaptation Finance - Commitments A21 - A24

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The four fisheries commitments are estimated to cost approximately USD 29.4 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF),

4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 7) national development banks (e.g., VRDB), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies)

Preferred instruments include concessional MDB or multilateral climate fund loans paired with grants or budget appropriations to install fish aggregating devices, upgrade landing sites and strengthen community management, complemented by green or blue resilience bonds and credit-guarantee facilities that lower borrowing costs for cooperatives and small-scale fishers. Performance-based grants tied to sustainable-catch indicators and ecosystem-health metrics will ensure funds flow only when adaptive practices deliver measurable results, reinforcing long-term viability of coastal fisheries.

Sources and instruments footnotes: 1 - 5, 7, 9.

#### Forestry (A25 – A39)

Impacts of climate change on the people and forests of Vanuatu are diverse and cross-sectoral, including inundation of forested land in low-lying areas, increased incidence of pests and diseases, prolonged periods of drought and flood conditions, increased frequency and intensity of extreme weather events, salinisation of forested land close to the coasts and the penetration of saltwater into the subterranean freshwater resources, adversely affecting forests and trees.

The combined impacts of climate change, population growth and soil fertility declines are exerting a growing and cumulative pressure on the remaining lowland forests of Vanuatu to be converted to agricultural land. On the other hand, Vanuatu's forestry offers opportunities for climate change mitigation through carbon conservation (SFM, protected areas, reducing of deforestation and forest degradation), carbon sequestration (afforestation and reforestation), and carbon substitution (replacement of carbon intensive products and fuels through wood products). Vanuatu's Carbon Cooperation Framework highlights the opportunities for win-win mitigation and adaptation interventions with co-benefits.

Changing temperature and precipitation regimes are influencing the productivity of forested land and require the adaptation or introduction of new trees and silvicultural production systems. Forest restoration and resilient management is an important element of adaptation throughout Vanuatu and is a core objective of the Forestry Sector Policy. Climate adaptation and resilience programmes are currently being implemented across the archipelago by Government and non government stakeholders and include interventions to control soil erosion and siltation to protect rivers, streams and the coastal areas; maintain or improve the fertility of soils and thereby contribute to food security; address the socioeconomic needs of forest dwellers and forest dependent communities; and reduce pressure on the natural forests and the vital services they provide.

#### VIEW THE NDC 3.0 FORESTRY TARGETS: https://docs.google.com/spreadsheets/d/1aT

#### Forestry Adaptation Finance – Commitments A25 – A39

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The 15 forestry commitments are estimated to cost approximately USD 136.7 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 7) national development banks (e.g., VRDB), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 11) corporate finance and ESG initiatives, 12) impact and investment funds, 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers), and 15) insurance and risk transfer mechanisms (e.g., PCRIC, PICAP).

Preferred instruments include concessional MDB or multilateral climate fund loans blended with grants for community nurseries, monitoring plots and buffer-zone restoration, complemented by green or resilience bonds and credit guarantees that lower borrowing costs for farmer cooperatives. Performance-based grants, REDD+ / carbon-credit purchase agreements and results-based payments for reduced degradation provide predictable revenue streams, while parametric insurance and blended-finance vehicles crowd in impact investors and private banks for large-scale landscape projects.

Sources and instruments footnotes: 1 - 5, 7, 9, 11 - 15.

#### Livestock (A40 - A41)

Loss of livestock and higher livestock mortality occurs in Vanuatu during both extreme events, like cyclones as well as during slow onset events such as prolonged drought. Changes in climate have been observed to lead to new animal pests and diseases, as well as the return of previously eradicated diseases, to which animals in poor health are most susceptible. The secondary impacts of climate change on livestock in Vanuatu include; lower mature weight of livestock and longer time to reach mature weight, lower egg productivity, loss of genetic resources, increased pressure on remaining productive pastures and water sources.

Adaptation interventions have become critical and are widespread across large and small-holder farmers, including the adjustment of herd size and composition, favouring smaller animals that require less feed and water, such as chickens, dusks, goats and pigs. Food preservation, silage measures and water reservoirs and storage help to provide fodder and water to livestock during drought and flood periods. More resilient animals are being promoted and distributed, including from targeted breeding and reintroduction of native species. Adaptation actions help Vanuatu achieve its general livestock sector goals, including becoming more modern, sustainably managed, able to benefit all stakeholders, contribute to greater socio-economic development, and ensure sound environmental and climate resilience practices.

Despite considerable successes on climate change adaptation in recent years, most farmers do not have sufficient knowledge or skills on breeds, farming systems or other methods to cope with the negative impacts of climate change. Poorer livestock farming households, including women, children and youth livestock farmers are especially vulnerable. Patriarchal structures often limit women in taking part in family livestock decision-making processes and the inheritance of animals, negatively affecting their ability to adapt. As a result, women and girls' adaptive capacity to climate change impacts on livestock is limited. Smallholder livestock farmers are most vulnerable to the impacts of climate change with limited access to supplementary feed, water, and veterinary services.

#### VIEW THE NDC 3.0 LIVESTOCK TARGETS: https://docs.google.com/spreadsheets/d/1aT-

#### Livestock Adaptation Finance - Commitments A40 - A41

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The two livestock commitments are estimated to cost approximately USD 11.9 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 7) national development banks (e.g., VRDB), 8) national pension fund (e.g., VNPF), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), and 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks).

Preferred instruments include grant-financed technical assistance and concessional loans for pasture rehabilitation, climate-smart feed systems and bio-security upgrades, as well as budget allocations and partial-risk guarantees. Insurance products, resilience bonds and impact investment equity could incentivise best-practice grazing and disease management, while commercial-bank credit lines could expand investments in herd-improvement and agri-businesses.

Sources and instruments footnotes: 1 - 5, 7 - 9, 13.

#### Water (A42 - A46)

Currently, some of the most profound impacts of climate variability and change are being felt in the water sector, particularly in water scarce areas and small islands that depend entirely on rainwater. In Vanuatu, both ground and surface water are used for domestic purposes. In urban areas the main water source is shallow aquifers whereas in rural areas various sources are used such as bores, wells, springs, rivers and rainwater catchments.

More intense extreme events have increased the incidence of flooding and induced greater damage to water utilities, pipes, and community-based water infrastructure. Increased climate-related damages have resulted in redundant infrastructure, cutting communities off to water supplies. Flooding events increasingly overwhelm drains, and latrine pits, resulting in stagnant, contaminated water that puts the health and wellbeing of the ni-Vanuatu population at risk. Increased temperatures and increased intensity of major El Nino events have led to increased incidence of meteorological drought. Consequently, climate impacts directly threaten water security and sanitation across the country.

Compounding the negative impacts of climate change is restricted technical, institutional and financial capacity barriers related to water governance: limited technical capacity, human resources, and financing at area council and provincial level to develop climate-sensitive water management plans; limited technical knowledge, human resources, and financing at provincial and national levels to establish and maintain climate-resilient infrastructure; and insufficient awareness, knowledge, and skills on climate change issues and climate-resilient water management at provincial and national levels. Ground and rainwater availability is further limited by inadequate water catchment infrastructure.

Vanuatu acknowledges that having access to water in sufficient quality and quantity is a human right that serves as a precondition for the exercise of other rights such as access to healthcare, food, a healthy environment, adequate housing and education. The adverse conditions generated by climate change are now severely affecting the availability of water resources in Vanuatu, and thereby undermining fundamental human rights.

A range of Government and non-government initiatives are underway to build resilience in the water sector, and enhance water security across the country. The USD 23.2 million GCF-funded Enhancing Adaptation and Community Resilience by Improving Water Security in Vanuatu, project is climate-proofing water sanitation, and hygiene (WASH) infrastructure and enhancing water management planning systems across Vanuatu. Bottom up Drinking Water Safety and Security Planning (DWSSP) processes are at the heart of locally led water adaptation. This and a arnage of other climate-focused water programmes aim to strengthen coordination with other sectors and partners to understand, predict, design and invest to secure Vanuatu's water future.

# VIEW THE NDC 3.0 WATER TARGETS: https://docs.google.com/spreadsheets/d/1aT-

#### Water Adaptation Finance – Commitments A42 – A46

The five water commitments are estimated to cost approximately USD 164.9 million.

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Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 10) corporate finance and ESG initiatives, 12) impact and investment funds, and 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks).

### CONSULTATION DRAFT - Vanuatu NDC 3.0 (2025-2035)

Preferred instruments include concessional MDB or multilateral climate fund loans blended with grants to expand safe-water access, storage and climate-resilient catchment works as well as budget allocations backed by credit guarantees or risk-sharing facilities. Green or resilience bonds, performance-based grants for verified service levels, and equity investments supplemented by commercial co-financing could fund community water-safety planning, watershed protection and early-warning systems. Use of index-based insurance products (e.g., drought, cyclones) could help safeguard repayment streams.

Sources and instruments footnotes: 1 – 5, 9, 10, 12, 13.

### Health (A47 - A51)

Vanuatu, like other countries in the region, faces a "triple burden": communicable and vector-bourne diseases such as malaria, combined with increasing rates of non-communicable diseases (including diabetes and heart disease) and the effects of climate change. Climate-sensitive health risks in Vanuatu are extreme, especially related to water-borne diseases and food-borne diseases. High climate health risks also include vector-borne diseases, malnutrition, non-communicable diseases, temperature-related illnesses, and occupation-related illnesses. Medium risks are related to respiratory infections, skin conditions, eye diseases, mental health disorders and traumatic injuries and deaths.

Climate change is already exacerbating the triple burden of malnutrition and the metabolic and lifestyle risk factors for diet-related NCDs by reducing short- and long-term food and nutrition security both directly, through its effects on agriculture and fisheries, and indirectly, by contributing to underlying risk factors such as water insecurity, dependency on imported foods, urbanization and migration, and health service disruption. Heat stress impacts, especially on elderly people, children, individuals with pre-existing conditions (e.g. diabetes) are manifesting as heat rash/heat cramps, dehydration, heat exhaustion/heat stroke and death. Climate change is observed to have had significant negative effects on mental health of Vanuatu's people, particularly in the context of acute events (i.e. severe tropical cyclones), slow onset and long-term changes (i.e. heat stress and loss of coral reefs), and the existential threat of long-lasting changes (i.e. sea level rise, and displacement).

Vanuatu is particularly vulnerable to climate change-induced natural disasters which create additional public health emergencies. Climate change related events will continue to threaten Vanuatu's health service planning and delivery.

Health services are stretched, and unable to effectively deliver to all islands, as the Ministry of Health has limited technical capacity to effectively integrate climate-related risks into policy, planning, and regulatory frames, and into interventions to control the current and projected future burden of climate-sensitive health outcomes. To overcome these challenges, Vanuatu is now working towards the development of a Health National Adaptation Plan and a National Health and Climate Change Strategy and investing in increasing the capacity of national health systems and institutions, and sub-level actors, to manage long-term climate-sensitive health risks.

Adaptation activities are showing success, including conducting hazard assessments; climate-informed planning and costing; strengthening structural safety of health infrastructure; contingency planning for essential health delivery systems (electricity, heating, cooling, ventilation, water supply, sanitation services, waste management and communications), rolling out training for public health and health care professionals to better understand of climate risks to individuals, communities and health care facilities. The National Health Cluster is active, and directly responding to climate related impacts as part of humanitarian and recovery operations.

# VIEW THE NDC 3.0 HEALTH TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### Health Adaptation Finance - Commitments A47 - A51

The five health commitments are estimated to cost approximately USD 56.3 million.

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Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), and 12) impact and investment funds.

### CONSULTATION DRAFT - Vanuatu NDC 3.0 (2025-2035)

Preferred instruments include grant-financed technical assistance and concessional loans for climate-proofing health facilities, emergency preparedness systems and environmental health surveillance, blended with domestic budget resources supported by partial risk guarantees. Resilience bonds, impact investment equity and pay-for-performance grants linked to health indicators could crowd in private capital. Investments in mobile clinics, cold-chain upgrades and community health-information platforms would help ensure the health sector can maintain essential services during climate shocks.

Sources and instruments footnotes: 1 - 5, 9, 12.

### Nature, Biodiversity and Environment (A52 – A57)

The key challenge facing Vanuatu in the context of environmental management and development planning is climate change, which is already impacting the ecosystem goods and services such as clean water and food on which people in Vanuatu rely. Vanuatu's diverse ecosystems are being threatened by climate change as are the livelihoods and wellbeing of the ni-Vanuatu people who rely on them. Vanuatu supports scientific findings that there is no viable route to limiting global warming to 1.5 degrees without urgently protecting, restoring and sustainably using nature. The Paris Agreement itself notes "the importance of ensuring the integrity of all ecosystems, including oceans, and the protection of biodiversity."

The Constitution of the Republic of Vanuatu and other laws recognize specific, measurable, and robust tenure and natural resource rights of Indigenous customary owners, which this NDC 3.0 fully respects and upholds. Similarly, the NDC is based on the constitutionally recognised fundamental duty of every person in Vanuatu has to himself and his descendants and to others to safeguard the national wealth, resources and environment in the interests of the present generation and of future generations.

Ecosystems provide cost-effective adaptation services, and effective natural resource management can minimise the risks of climate change and disasters while enhancing livelihoods resilience. Vanuatu's environmental goals include climate resilience and nature-based solutions to achieve a strong and resilient nation in the face of climate change and disaster risks. Nature-based Solutions (NbS) are actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefit. NbS in Vanuatu have significant, but currently underutilised potential to help address global challenges such as climate change, human health, food and water security, natural disasters and biodiversity loss. Ecosystembased Adaptation (EbA), involving the conservation, sustainable management and restoration of ecosystems is already helping Vanuatu's people adapt to the impacts of climate change, and is of itself a nature-based solution that harnesses biodiversity and ecosystem services to reduce vulnerability and build resilience to climate change. Synergies between mitigation and adaptation NbS actions and targets are commonplace in Vanuatu, and there are substantial mitigation benefits of adaptation action related to nature.



Figure 6: NbS Diagram (IUCN)<sup>16</sup>

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<sup>&</sup>lt;sup>16</sup> https://portals.iucn.org/library/sites/library/files/documents/2019-030-En.pdf

Vanuatu has first-hand experience that healthy ecosystems and their services are essential to enable Vanuatu's people to adapt to the effects of an already changing climate. For decades, Vanuatu has been implementing a wide range of approaches that work with nature and its services, building a body of evidence that NbS can provide important benefits for climate adaptation and resilience across sectors as well as mitigation opportunities to reduce emissions and remove and store carbon.

The focus of Vanuatu's NbSs is on meeting the needs and interests of its island communities and people, including their resilience to climate change. Climate change related loss of biodiversity affects the livelihoods of rural and urban populations. In Vanuatu, biodiversity is our food, our culture, our tradition, our money, our medicine, our shelter, our fresh air (oxygen), our firewood, our coastline stabiliser, our protector against storm surge, protector of our freshwater systems, our carbon sequestration and our ecosystem-based adaptation to climate change. Our biodiversity is vital for our survival.

Vanuatu's NDC 3.0 is aligned with the revised National Biodiversity Strategy and Action Plan (NBSAP) which has been updated to reflect the new goals of the Kunming-Montreal Global Biodiversity Framework. Target 8 of Vanuatu's NBSAP commits to Vanuatu implementation at least 80% of the priorities in the National Climate Change & Disaster Risk Reduction Policy, as well as meeting the biodiversity and environment targets within the Nationally Determined Contribution (NDC) to the Paris Agreement, including those with a focus on averting minimising and addressing the cascading, compounding and intensifying impacts of climate change on biodiversity through locally-led nature-based solutions and ecosystem-based approaches.

### VIEW THE NDC 3.0 ENVIRONMENT TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### **Environment Adaptation Finance – Commitments A52 – A57**

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The six environment commitments are estimated to cost approximately USD 17.6 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 10) corporate finance and ESG initiatives, 11) corporate finance and ESG initiatives, 12) impact and investment funds, and 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers).

Preferred instruments include grants and concessional MDB or multilateral climate fund loans blended with domestic budget allocations to finance spatial planning reforms, conservation-area registration and EIA enforcement. Credit-guarantee facilities could help lower borrowing costs for local authorities. Green, resilience or biodiversity bonds, payments for ecosystem services and voluntary carbon-credit purchase agreements could fund community conservation and watershed protection, while impact investment equity and corporate ESG contributions could support education, ecosystem-services valuation and awareness campaigns.

Sources and instruments footnotes: 1 - 5, 9 - 12, 14.

### Oceans (A58 – A63)

Vanuatu is a Big Ocean State, and in 2025 created the Ministry of Oceans, Fisheries and Maritime Affairs. This was in response to growing observation that Vanuatu's oceans are severely affected by climate change across its ocean ecosystems. Ocean warming, acidification, deoxygenation, and changes in primary productivity are the most severe climate change stressors affecting Vanuatu's marine ecosystems, and occur simultaneously, creating high risk for compounding and vascading impacts, and will continue to occur even with the most aggressive mitigation of global emissions. Coral reefs in Vanuatu have been particularly impacted, due to ocean climate stressors, severe tropical cyclones, land-based runoff and outbreaks of corallivorous crown of thorns starfish. Many impacts have not yet been fully assessed, including from climate induced ocean deoxygenation which results in changes to sea water solubility, stratification, and respiration, and carries significant ecosystem consequences.

In 2024, the Government released its Marine Spatial Plan (MSP) as an essential tool to address increasing ocean threats, including unsecured maritime rights and climate change. The MSP plays a vital role in ensuring the sustainable management of marine resources and the protection of marine ecosystems. In 2025, Vanuatu began work on its Blue Carbon Ecosystems Policy, in order to ensure that coastal ecosystems continue to play their role as long-term carbon sinks, provide invaluable ecosystem services to ni-Vanuatu communities, expand the national economy as well as generate carbon cooperation opportunities. Mangroves, sea grasses and coral reefs are habitat-forming marine species that provide key ecosystem services including fisheries production and coastal buffering, but sustain negative impacts from climate change.

Adaptation action in ocean systems has been ongoing for decades, primarily related to indigenous and traditional marine management approaches in the coastal zone. Ocean adaptation is being undertaken in a variety of ways, including through area-based management, ecosystem protection, expansion and restoration (including blue carbon sinks), as well as marine environmental assessment, data gathering, monitoring and surveillance. For example, efforts are now underway to create a joint Melanesian Conservation Corridor, to ensure protection of major parts of these countries' exclusive economic zones. Given that ocean-based goods and services exports contribute to Vanuatu's GDP, Vanuatu is working on a range of ocean economy measures including the use of trade tools like tariffs, non-tariff measures, trade facilitation, and blue industrial policies. In these ocean economy interventions, Vanuatu is focused primarily on adaptation actions related to marine and coastal tourism, marine fisheries, and marine transport and related services.

Vanuatu's efforts to mobilise blue finance are expanding, with the creation of new financial instruments dedicated specifically to ocean-friendly and water resources projects, and are especially important for Vanuatu because of its expansive oceans that hold vast and yet-to-be-realized possibilities. In this context, Vanuatu launched its Blue and Green Bond Framework in 2025 which aims to create a funding arrangement for sustainable and resilient ocean finance. Conscious that some ocean interventions may be sustainable and beneficial and some may not, Vanuatu has called for a global ban on deep sea mining.

### VIEW THE NDC 3.0 OCEANS TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### Oceans Adaptation Finance - Commitments A58 - A63

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The six oceans commitments are estimated to cost approximately USD 29.9 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 10) corporate finance and ESG initiatives, 11) corporate finance and ESG initiatives, 12) impact and investment

funds, 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), and 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers).

Preferred instruments include concessional MDB or multilateral climate fund loans blended with grants and domestic budget resources to underwrite marine spatial planning, coastal risk management works, reef and mangrove restoration, and upgraded disaster response systems, all supported by credit guarantee facilities that lower borrowing costs for local implementers. Blue or sustainability-linked bonds, voluntary or compliance blue carbon credit purchase agreements, impact investment, corporate ESG contributions and parametric reef insurance products could support crowding in private capital and performance-based revenue streams.

Sources and instruments footnotes: 1 - 5, 9 - 14.

### Waste (A64 - A68)

Vanuatu has uniquely fragile marine, aquatic and terrestrial resources due to its size, lack of natural storage, competing land uses and vulnerability to climate change. Pollution and the growing volumes of solid and hazardous wastes are major threats to the environment and sustainable development of Vanuatu. Globalisation is accelerating the transition of our urban communities towards consumer economies, with increasing urbanisation, migration, and participation in international trade, resulting in an escalation in the generation of solid and liquid wastes, and these increase the risk of coastal and marine pollution. The lack of controls on imported chemicals and the lack of capacity for managing pollutants threaten to undermine the quality and health of vulnerable ecosystems on which Vanuatu's climate resilience depends.

Climate change is putting further pressure on natural resources affected by waste, threatening the long-term viability of communities and islands. There are promising adaptive actions underway, including for example in 2018, Vanuatu implemented the first policy to outlaw the sale and distribution of certain single-use plastics, including plastic bags and plastic straws, in a bid to reduce waste and pollution in the river and marine environment. These now-banned items used to make up 35% of Vanuatu's waste, but now make up less than 2%. In the years since the ban took effect, plastic shopping bags are now rarely used, with most shoppers carrying reusable bags at their local market or grocery stores. At festivals and outdoor events, food is more often served wrapped in banana leaves instead of polystyrene takeaway boxes. In 2020, a second phase of the policy added seven more items to the list of banned plastics, which now covers cutlery, single-use plates and artificial flowers.

The government and private sector also launched a Product Stewardship Scheme (PSS) to collect beverage containers, with deposit/fee-type benefit for consumers and local residents. The Vanuatu Recyclers and Waste Management Association consists of businesses and organisations, registered in Vanuatu, that have had a demonstrable association with recycling, waste management, waste minimization or commercial waste production for at least 12 months. The goals of the VRWMA are to assist waste producers (retailers and manufacturers) to reduce waste they produced by ensuring they are aware of opportunities that arise, and to create and improve systems and infrastructure for waste streams that have potential to be recycled. Vanuatu Brewing Limited (the home of Tusker beer), is one of several companies with a "Return & Earn" policy to promote the re-using of its glass bottles. During its 30+ years of existence, Vanuatu Brewing Limited has reused over 100,000,000 bottles of beer and sparkling water with a collection rate of 90% throughout Vanuatu.

Managed or controlled waste disposal sites are found on Port Vila and Luganville, and a few others at Tafea and Malampa provinces. In Port Vila urban areas the waste generation was calculated at 465-900g per person per day. Luganville waste generation was 1.2 kg per person per day. Outside of the urban centres the waste generation is estimated to be lower (68g per person per day for Lelepa Island near Efate). Hazardous waste is accepted at both Bouffa and Luganville waste sites. Some of the e-waste are collected for recycling. Asbestos wastes are buried at the landfill. Healthcare waste is incinerated and is only buried at the landfill if the incinerators are not working.

Agrifood systems both contribute to pollution and are vulnerable to its impacts. Crop and livestock production, forestry, fisheries and aquaculture are crucial to the achievement of this target, which includes components related to reducing excess loss of nutrients in the environment, for example those arising from fertilizer/pesticide as well as other highly hazardous chemical use by at least half, including through integrated pest management, and preventing, reducing and working towards eliminating pollution. Integrated pest management includes techniques that discourage the development of pest populations by combining biological, chemical, physical and crop-specific (cultural) management practices to minimize pesticide use. The agrifood sectors can also contribute to the target by minimising, resuing or recycling waste and improve waste management processes at all levels.

VIEW THE NDC 3.0 WASTE TARGETS: https://docs.google.com/spreadsheets/d/1aT-

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### Waste Adaptation Finance - Commitments A64 - A68

The five waste commitments are estimated to cost approximately USD 20 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies).

Preferred instruments include concessional MDB or multilateral climate fund loans blended with grants to finance waste-treatment plants, training programmes and waste-minimisation plans, channelled through national budget allocations and backed by credit guarantees or PPP concessions that transfer construction and operational risk to private operators. Performance-based grants and results-based payments linked to pollution-reduction metrics could secure predictable cash flows, while resilience bonds can mobilise additional capital for community composting and source separation initiatives.

Sources and instruments footnotes: 1 - 5, 9.

### Information and Communication Technology (A69)

As the impacts of climate change intensify in Vanuatu, stakeholders are turning to innovative strategies to adapt. Information and communication technologies (ICTs) are playing a key role in strengthening adaptive capacity at all levels, supporting climate information gathering, decision making, implementation and evaluation of adaptation. Specific ICT applications now in use throughout Vanuatu enable delivery of particular adaptational actions related to poverty, water, agriculture and food security, human health, terrestrial and marine ecosystems, and disaster management. Internet-based applications, satellite internet, mobile phones, and community radio are increasingly available and have provided an exceptional opportunity for Vanuatu stakeholders to improve the creation, management, exchange and application of relevant climate change information and knowledge.

ICTs in Vanuatu have facilitated the inclusion of multiple voices in the design of adaptation strategies at all levels, from simple broadcast and awareness raising of issues to be decided; to fuller engagement through the use of social media and online polling of those likely to be affected; to the use of group decision support systems to model and analyse different scenarios, and enable decisions to be made. GIS applications, earth browsers, and Web-based clearinghouse sites are now offering possibilities for Vanuatu citizen monitoring and accountability. Web 2.0 tools (e.g. social networking sites, Wikis and blogs), smart phones (mobile phones with Internet capabilities, allowing text and audiovisual data sharing) and online discussion fora are fostering new forms of engagement and participation in climate change adaptation and crisis response, converging and mobilise stakeholders' interests towards common adaptational goals. These ICTs unleash creative collaborations and climate-focused actions of various public and private entities, academia, civil society and the public in general.

Increasing access to these ICTs for Vanuatu citizens is transforming government services and public administration, as well as supercharging advances in the socio-economic development of the nation and its resilience to climate change. While there are risks and downsides of the increased use of and dependence on ICTs, the country is working to empower users with tools and services, and enhancing relevance of ICTs by promoting the availability of local content and through capacity building programmes.

# VIEW THE NDC 3.0 ICT TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### **ICT Adaptation Finance – Commitment A69**

The one ICT commitment is estimated to cost approximately USD 12.5 million.

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Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies).

Preferred instruments include grant-funded technical assistance and concessional loans for climate-resilient telecom infrastructure and e-government platforms, supported by resilience bonds and partial-risk guarantees. Results-based grants tied to network-uptime and service-coverage targets could attract private co-financing from telecom operators and impact investors seeking measurable adaptation outcomes.

Sources and instruments footnotes: 1 - 5, 9.

### Infrastructure (A70 – A72)

Infrastructure is the foundation for climate resilient development in urban and rural areas, operating industries and commerce, improving living standards, delivering community services and driving economic growth. Vanuatu has made substantial progress in providing infrastructure, and planning for further investment is underway in individual sub-sectors. Vanuatu has e international airports: Bauerfield (Port Vila) and Santo-Pekoa (Luganville), White Grass (Tanna), and a total road network of 1070 km, with only 24% of these being paved. With three international maritime ports, and more than 100 island landings, maritime transport infrastructure is critical for enabling the distribution of adaptation materials and support.

Most of Vanuatu's infrastructure assets are highly compromised by climate change, despite recent climate proofing efforts, due primarily to inadequate resources for operation and maintenance once they are deployed. The Government of Vanuatu funds little infrastructure and other capital expenditure from domestic revenues, as it relies on a narrow tax base (VAT, excise, import duties). Development partner grants (and more recently concessional loans) have been the main finance source for infrastructure development and resilience.

For example the World Bank funded Vanuatu Climate Resilient Transport Project (VRCTP) is providing a sustainable climate resilient road infrastructure along the 60 km South Santo Road corridor including localised adaptations such as wet crossings/bridges, coastal road protection measures, and upgrading vented fords to larger culverts or bridges with adequate capacity to pass storm flows. The South Paray domestic wharf in Port Vila was completed in 2025 and was fully engineered to future climate projections, including cyclone and sea level rise. Vanuatu's 2023 Road Design Guide now incorporates the projected impacts of future climate change into the nation's official manual of road construction, so that road engineers can systematically factor in projections for climate-related impacts, like extreme rainfall and sea level rise into the planning, construction and maintenance of the nation's road network. All infrastructure projects underway now include strong climate resilience elements to provide solutions that are fit-for-purpose and adopting relatively new technologies. As climate extremes become more intense and change in frequency, there are ever more critical motivations for expanding adaptive approaches in public infrastructure in Vanuatu, particularly in remote outer islands.

### VIEW THE NDC 3.0 INFRASTRUCTURE TARGETS:

https://docs.google.com/spreadsheets/d/1aT-

### Infrastructure Adaptation Finance - Commitments A70 - A72

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The three infrastructure commitments are estimated to cost approximately USD 259 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 7) national development banks (e.g., VRDB), 8) national pension fund (e.g., VNPF), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 12) impact and investment funds, and 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks).

Preferred instruments include large-scale concessional MDB or multilateral climate fund loans blended with grants for resilient transport, energy and key public infrastructure. Projects could be structured as PPPs and supported by green or sustainability-linked bonds, credit-enhancement facilities and grants for technical assistance. Equity investments and commercial bank co-lending could be mobilised through partial-risk guarantees and performance-based payment mechanisms that reward assets meeting climate-resilience and performance-based standards.

# CONSULTATION DRAFT - Vanuatu NDC 3.0 (2025-2035)

Sources and instruments footnotes: 1 - 9, 12, 13.

### People with Disabilities (A73 – A75)

In Vanuatu, persons with disabilities are disproportionately affected by climate change, commonly due to stigmatization, unequal economic opportunities and systemic yet unintentional exclusion from climate adaptation and support mechanisms. Vanuatu's people with disabilities are more vulnerable to climate hazards than counterparts without disabilities in the same villages and islands, particularly due to mobility limitations, physical barriers and lack of accessibility that put persons with disabilities disproportionally more at risk during climate-induced disasters. For the same structural inequalities, persons with disabilities in Vanuatu often lack general access to information and resources and are systematically underrepresented in decision making. Many persons with disabilities have limited education and employment opportunities and are often financially dependent on their caretakers. Given the fact that many of Vanuatu's persons with disabilities are so directly dependent on their families and local communities, specially tailored adaptation activities are critical to ensure that communities are able to enhance the informal support systems that can address the scale of the challenges posed by climate change. This is especially of concern in Vanuatu's remote, rural, underserved island villages, where communities depend on climate-sensitive resources for their livelihoods.

Evidence from Vanuatu indicates that persons with disabilities experience greater risk in a disaster. They are less likely to evacuate safely and without injury due to a lack of accessible information regarding evacuation processes, and limited availability of accessible evacuation shelters. Persons with disabilities are not always included adequately in community or national disaster risk reduction planning and response processes or structures such as Community Disaster and Climate Change Committees, and Clusters.

Vanuatu acknowledges that planning for climate change resilience must more comprehensively include persons with disabilities at the national, provincial and community levels. To ensure that no one is left behind, targeted efforts are underway in Government and civil society, including the Vanuatu Society for People with Disability (VSPD) and the Vanuatu Disability Promotion and Advocacy (VDPA) are elucidating requirements of persons with disabilities in early warning systems, climate-resilient infrastructure development and disaster preparedness plans. Work is proceeding in all climate programmes to incorporate the differentiated vulnerabilities of persons with different types of disabilities, supporting the economic empowerment of persons with disabilities, direct participation in climate change adaptation programs. More generally, the Government of Vanuatu has put in place guidelines on the composition of area councils and community disaster and climate change committees on the ways that persons with disabilities should be represented in decision-making on climate action.

Most climate adaptation projects now include awareness campaigns to change community attitudes towards persons with disabilities, promoting inclusiveness and to proactively engage community members together with persons with disabilities in activities. Vanuatu has observed that Increased collaboration between climate and disability advocates is bridging these complementary fields.

### VIEW THE NDC 3.0 DISABILITY TARGETS: https://docs.google.com/spreadsheets/d/14T-

### **Disability Adaptation Finance – Commitments A73 – A75**

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The three people with disability commitments are estimated to cost approximately USD 1.7 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies).

### CONSULTATION DRAFT - Vanuatu NDC 3.0 (2025-2035)

Preferred instruments include grant-financed technical assistance and small concessional loans to retrofit facilities, develop inclusive early-warning systems and build organisational capacity. This support could be channelled through budget appropriations and backed by micro-guarantees that lower borrowing costs for disability-service providers. Results-based grants linked to accessibility and inclusion indicators could create incentive aligned funding flows, while modest resilience bonds can engage impact investors focused on social and climate outcomes.

Sources and instruments footnotes: 1 - 5, 9.

### Gender and Social Inclusion (A76 - A83)

Climate change is not gender neutral, and Vanuatu's women and girls have most acutely felt the consequences of climate change, including those that are particularly vulnerable, such as children, older persons and people with disabilities. Women and men in Vanuatu have differentiated contributions and access to the benefits derived from climate action. In this context, Vanuatu strongly supports gender equality and gender-responsive action to address climate change, as well as the empowerment, leadership, decision-making and full, equal and meaningful participation of women and girls, and the role that women play as managers, leaders and defenders of natural resources and agents of change in safeguarding the climate and natural environment.

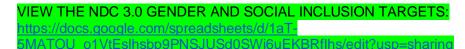
This NDC 3.0 aims to eliminate gender disparities through the recognition of gender equality and women's empowerment in all commitments, as well as by aligning with the UNFCCC's Enhanced Lima Work Program on Gender and its Action Plan and dozens of gender decisions under the Convention and the Paris Agreement. Vanuatu has a range of dedicated safeguards and regulations to overcome practical and cultural barriers to the participation of women, girls, and gender-diverse persons in climate action, including for example formally establishes gender quotas for the formal registration of Community Disaster and Climate Change Committees (CDCCCs) ensuring women and girls have a place in climate decision-making bodies; the NAB encouraged practice of providing stipends and sitting allowances to women and girls who participate in climate planning workshops, ensuring financial barriers do not prevent engagement; the practice of scheduling community consultations and participatory processes at times and places that accommodate women's caregiving, educational and household responsibilities; the requirement that climate programme staff undergo gender equity and inclusion training with a focus on local cultural contexts; the enforcement of gender-based violence (GBV) prevention protocols and reporting mechanisms in all climate initiatives; training, extension, and outreach programs that utilise gender-sensitive materials; and the requirement for collection and reporting of gender, age, and disability-disaggregated data for all climate programmes.

Climate vulnerability and its consequences not only reflect existing gender inequality, they also reinforce and exacerbate socially constructed relations of power, norms, and practices that constrain progress toward gender equality in Vanuatu. This includes culturally influenced gender roles and responsibilities that confine women's activities and mobility to the home; traditions that limit women's access to natural, financial, and social capital, and thus their ability to cope with climate shocks and to adapt to climate change; and norms that inhibit women's ability to access information, knowledge, skills, and capacity building that could be lifesaving during and after a weather-related disaster. As a result, women and girls in Vanuatu experience heightened social, economic, and health impacts of climate change. More women than men (49% and 41% respectively) are involved in the subsistence economy in Vanuatu, which makes them more susceptible to climate change, disasters and other livelihood stresses.

When age is added to considerations of gender - that is, if the focus is specifically on girls - there is another layer of vulnerability and impact through which climate change intersects. After climate events, adolescent girls are at additional risk of being pulled out of school to help alleviate extra domestic burdens, like fetching water, that are shouldered by women in households under climate-related stress. Leaving school also makes girls less likely to be informed about climate change and further increases their vulnerability. Such circumstances put into play the early onset of key life transitions, including early pregnancy, that function to direct girls into a cycle of intergenerational poverty, vulnerability, and marginalisation.

Despite the potential for exacerbated vulnerability, women and girls are highly impactful agents of change in Vanuatu, holding important traditional decision-making roles in their families, communities and schools. Women and girls have unique abilities as drivers of solutions when they are empowered, as men and women have different coping mechanisms, capacities and experiences in the face of climate change. Women and girls play an important role in climate change adaptation and mitigation because of their roles in core climate change sectors: agriculture, livestock management, energy, disaster risk reduction (DRR), forestry, water management and

health. Increasingly, women are entering, but still under-represented in, renewable energy and mitigation activities in Vanuatu. Women's local and environmental knowledge and survival strategies are major ingredients for recovery and resilience.



### Gender and Social Inclusion Adaptation Finance – Commitments A76 – A83

The eight gender and social inclusion commitments are estimated to cost approximately USD 28.8 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF, Regional Pacific NDC Hub), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, SPC, SPREP), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), and 10) corporate finance and ESG initiatives.

Preferred instruments include grant-financed technical assistance and concessional MDB or multilateral climate fund loans blended with domestic budget allocations, reinforced by corporate ESG or impact investments that channel capital to women-led MSMEs. Results-based grants tied to sex-disaggregated indicators could support funding for gender-responsive planning, monitoring and implementation.

Sources and instruments footnotes: 1 - 5, 9, 10.

### **Human Rights and Climate Justice (A84 – A85)**

The adverse impacts of climate change significantly impinge on the enjoyment of human rights of the people of Vanuatu, including with respect to the rights to life, food, health, housing, self-determination, water, sanitation, decent work and a clean, healthy and sustainable environment as has been described in numerous resolutions and reports to the Human Rights Council.<sup>17</sup>

The Universal Declaration of Human Rights (UDHR) itself provides climate-relevant human rights obligations of States, guaranteeing several rights impacted by climate change<sup>18</sup>, such as the rights to life, liberty, and security; privacy, home and family life; freedom of movement and residence within the borders of each State; not be arbitrarily deprived of one's property; a standard of living adequate for the health and well-being of oneself and one's family, including food, clothing, housing and medical care and necessary social services; and cultural life<sup>19</sup>. Importantly, the UDHR expressly extends these rights to "[a]II human beings" without imposing any territorial or temporal restriction on States' obligations to respect, protect and fulfill them.

Vanuatu strongly endorses and supports the UN General Assembly Resolution<sup>20</sup> on the human right to a clean, healthy and sustainable environment that it co-sponsored, which recognizes the right to a clean, healthy and sustainable environment as a human right and calls on States to undertake measures to scale up efforts to ensure a clean, healthy and sustainable environment for all. Vanuatu reaffirms that all States have legal obligations to respect, protect and promote human rights, including in all actions undertaken to address climate change, and to take measures to protect the human rights of all.

Vanuatu acknowledges that the rights of certain groups of people are disproportionately and often intersectionally affected, including those of Indigenous Peoples, poor people, migrants, children, women and girls, persons with disabilities, the elderly, LGBTQI+ individuals, people living in small island communities and tribal and traditional groups. Climate impacts, like disrupted education, have implications for children's rights and for intergenerational equity[4]. Loss and damage experienced by persons in vulnerable situations, such as persons with disabilities, is often unaccounted for due to a lack of gender, age and disability-disaggregated data or unaddressed due to discriminatory laws.

Vanuatu seeks rights and justice approaches that include not only the interests of all humans but of the nonhuman, such as other animals, plants, forests, rivers and ecological systems. Vanuatu asserts that there is a moral and political obligation for the basic institutions of society – including our political and legal systems – to take those interests into account when making decisions. Rights cannot be dismissed simply because they are inconvenient or costly (for certain humans), and attending to them is not a matter of charity or generosity. Similarly, Vanuatu has direct experience with rights-based approaches as critical for climate-resilient development, leading to more legitimate and effective outcomes for society, ecosystems and individuals alike.

Vanuatu holds that human and interspecies rights norms, standards, considerations and obligations should shape and guide all climate action. International rights law applies to averting, minimizing and addressing loss and damage associated with climate change and its impact on human rights. Vanuatu's commitments in this NDC 3.0 shall adhere to a rights-based approach to climate action which is affirmed in the Paris Agreement, whose preamble includes the provision

https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A\_RES\_217 (III).pdf

<sup>&</sup>lt;sup>17</sup> https://docs.un.org/en/A/HRC/57/30 including 7/23, 10/4, 18/22, 26/27, 29/15, 32/33, 35/20, 38/4, 41/21, 44/7, 47/24, 50/9 and 53/6; and A/HRC/31/52, A/HRC/32/23, A/HRC/35/13, A/HRC/38/21, A/HRC/41/26, A/HRC/44/30, A/HRC/47/46, A/HRC/50/57, A/HRC/53/47 and A/HRC/55/37.

<sup>&</sup>lt;sup>18</sup> https://www.ohchr.org/en/specialprocedures/sr-climate-change

<sup>19</sup> 

<sup>&</sup>lt;sup>20</sup> https://digitallibrary.un.org/record/3982508?ln=en&v=pdf

that Parties should respect, promote and consider their respective obligations on human rights when taking action to address climate change<sup>21</sup>.

Climate change can and does have differing social, economic, public health, and other adverse impacts on underprivileged populations. Global warming is an ethical, political and rights issue, not purely environmental or physical in nature. In Vanuatu, the government recognises the need to relate the causes and effects of climate change to fundamental human rights, including integrating concepts of environmental justice and social justice. There are real concerns about the inequitable outcomes for different people and places associated with vulnerability to climate impacts, loss and damage. Climate change is fundamentally an issue of human rights that connects the local to national to the global, with those who are most affected having contributed least to climate change. Climate change is one of the greatest threats to human rights of our generation, posing a serious risk to fundamental human rights.

Vanuatu holds that the following obligations arising from general international law specifically govern the acts and omissions of States related to climate change: the duty of due diligence; the obligations arising from the rights recognized in the Universal Declaration of Human Rights; the principle of prevention of significant harm to the environment; the duty to protect and preserve the marine environment; the obligations arising from the right to self-determination; the duty to cooperate and the obligations arising from the principle of good faith. These obligations are binding on all States and the Relevant Conduct is in breach of them. In addition, the following obligations arising from treaties in force also govern the climate-relevant conduct of States which are parties to one or more of them: obligations arising from the Charter of the United Nations and the subsequent interpretive practice under it, including the rights recognized in the Universal Declaration of Human Rights, the right of peoples to self-determination, the duty to co-operate and the obligations arising from the principle of good faith; obligations arising from the rights enshrined in the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights; obligations arising from the right to clean, healthy and sustainable environment as it relates to other rights and existing international law; obligations arising from the UNFCCC and the Paris Agreement; obligations arising from the United Nations Convention on the Law of the Sea; and obligations arising from the Convention on the Rights of the Child.

The right to an effective remedy is a fundamental principle of international human rights law<sup>22</sup>, and applies to human rights violations relating to adverse impacts from climate change, and calls for reparations to be provided for its violation.

To ensure human rights are upheld throughout the implementation of all measures continued in this NDC 3.0, Vanuatu employs a range of safeguards and principles on Free, Prior, and Informed Consent (FPIC) for protecting the rights and interests of local communities. These measures help to prevent exploitation and ensure that community members are fully informed and actively participate in decision-making processes regarding climate initiatives. These include, inter alia, the Environment Impact Assessment Regulations enshrined within the Environmental Protection and Conservation Act, regulations on the discharge of pollution, wastewater and the emission of noise, odour or electromagnetic radiation enshrined in the Pollution Control Act, policies to protect water resources enshrined in the Water Resources Management Act, recognition and protection of indigenous land enshrined in the Land Reform Act, labour codes and minimum wages enshrined in the Employment Act, child protection regulations enshrined in the Rights of the Child Act, regulations on the protection of cultural assets enshrined in the Preservation of Sites and Artefacts Act and the Protection of Traditional Knowledge and Expressions of Culture Act, as well as enhanced safeguard and PFIC regulations in the Ministry of Climate Change's Environmental and Social Management Framework.

<sup>&</sup>lt;sup>21</sup> https://unfccc.int/sites/default/files/english\_paris\_agreement.pdf

<sup>22</sup> https://www.ohchr.org/en/instruments-mechanisms/instruments/basic-principles-and-guidelines-right-remedy-and-reparation

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# VIEW THE NDC 3.0 HUMAN RIGHTS TARGETS: https://docs.google.com/spreadsheets/d/1aT

### Human Rights and Climate Justice Adaptation Finance - Commitments A84 - A85

The two human rights and climate justice commitments are estimated to cost approximately USD 6.6 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 10) corporate finance and ESG initiatives.

Preferred instruments comprise grants and concessional loans from MDBs, multilateral climate trust funds and institutional partners to underwrite climate justice advocacy, legal analysis and curriculum development, complemented by corporate ESG and philanthropic contributions linked to progress on human rights and climate justice indicators. This blended approach would provide predictable resources for participatory governance while crowding in public and private capital that values rights-based adaptation outcomes.

Sources and instruments footnotes: 1 - 5, 10.

### Indigenous People (A86 – A89)

Vanuatu's hundreds of unique indigenous cultures manage livelihood risks in a changing climate with traditional knowledge and solutions that deserve greater attention and consideration within national and global climate action arenas. Vanuatu's indigenous peoples' traditional ecological knowledge is based on a life lived in marginal and challenging environments, already implementing mitigation, adaptation and loss and damage strategies as part of traditional natural resources management. At the same time, Indigenous Peoples and local communities safeguard invaluable knowledge and traditions based on their respective worldviews and the relationships with nature that these entail, which are and will continue to be the basis for addressing climate action in Vanuatu's islands. This NDC 3.0 is based on Vanuatu's experience that climate commitments and targets have benefitted substantially from the integration of traditional knowledge into mitigation, adaptation and loss and damage interventions.

Climate induced loss and damage threatens the survival of this traditional knowledge, and destroys records relating to personal identification, ownership of assets and land. Traditional knowledge is the practices, systems, skills and "know-how" developed by a community and passed on from one generation to another, forming part of the spiritual and cultural identity of the group. For the implementation of this NDC 3.0, Vanuatu recognises the important role of traditional knowledge and commits to respecting, protecting, and fulfilling the rights of Indigenous Peoples with respect to their knowledge. Vanuatu also commits to respect, protect and promote the rights of Indigenous Peoples in line with international law, including the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), including their rights to their lands, territories, resources, and traditional knowledge, the conservation and protection of the environment, their rights that might be affected by climate change, the right to maintain and strengthen their distinctive spiritual relationship with their lands, territories, waters, and coastal seas, and to uphold their responsibilities to future generations in this regard. All of Vanuatu's climate policies include a requirement that interventions must follow predefined and rigorously monitored processes to ensure that Indigenous Peoples' right to Free, Prior and Informed Consent will be respected.

# VIEW THE NDC 3.0 INDIGENOUS PEOPLES TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### Indigenous People Adaptation Finance - Commitments A86 - A89

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The four indigenous people commitments are estimated to cost approximately USD 10.6 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies).

Preferred instruments include community-level grants and concessional loans or budget appropriations to support traditional knowledge mapping, cultural site protection and climate-resilient livelihood initiatives, backed by credit-guarantee facilities that reduce borrowing costs for indigenous organisations. Results-based grants and small resilience or biodiversity bonds tied to indigenous stewardship indicators could attract impact investors and ensure sustained financing for culturally appropriate adaptation actions.

Sources and instruments footnotes: 1 - 5, 9.

### Children, Youth and Education (A90 – A94)

Children and future generations are bearing, and will continue to bear, the brunt of the impact on a polluted, degraded planet. The climate crisis poses an urgent threat to children and young people worldwide, jeopardizing their fundamental rights, health, and futures. Children's exposure to the effects of climate change are having devastating direct physical impacts, such as from cyclones, storm surges and extreme temperatures presenting risks to health, to more subtle challenges such as impacts on education, psychological well-being and nutritional status. At a physiological level, Vanuatu's children and young people are inherently sensitive to climate variables because they are physiologically and metabolically less effective than adults at adapting to heat and other climate-related exposure.

Youth education and training, alongside public participation, are key to enabling effective and inclusive adaptation to climate change in Vanuatu. Children and youth must be provided with the opportunities and support to develop the skills to act on climate knowledge, minimize risk and vulnerability and boost their adaptive capacity and resilience. Young people's public participation is integral to an inclusive adaptation process that Vanuatu aims to 'leave no one behind'. In that regard, given the disproportionate impact of climate change on children and young people, and the immense potential of young people to contribute to adaptation solutions and serve as agents of change in their communities, Vanuatu has placed particular focus on the empowerment of children and youth.

Vanuatu has made considerable efforts to mainstream climate change into formal, non-formal and informal education at all levels, from primary to tertiary programmes. Given young people's immense potential to be agents of change for advancing adaptation in their island communities, Vanuatu climate programmes are acknowledging, and actively and meaningfully engaging children and youth throughout all stages of the adaptation process at the village, area council, provincial and national levels. Vanuatu also acknowledges that its youth cannot be portrayed or treated as a homogeneous group, and therefore seeks to engage island youth in their different capacities and according to their different interests and areas of expertise: young entrepreneurs are being engaged in their capacity as entrepreneurs, and young farmers in their capacity as farmers.

A range of diverse youth-focused adaptation measures are already being implemented across the islands, including integrating adaptation in the local context into curricula at the local and national level, gathering and sharing examples of practical adaptation measures that young people can take now and in the future, supporting extracurricular activities, such as church youth camps, that focus on climate change and adaptation, training teachers on adaptation-related topics and providing continuous professional development opportunities so that educators can maintain upto-date knowledge, promoting 'green school' policies, whereby schools embody the values and practise the lessons they teach related to climate change and sustainability, and developing adaptation plans for schools.

Major new youth and climate programmes are being implemented, including the Vanuatu Community-based Climate Resilience Project, a USD 37 million GCF grant co implemented by the Governments of Vanuatu and Save the Children Australia, which is helping young people and their communities to adapt to the impacts of climate change and to protect their livelihoods, through a range of adaptation measures delivered at the local level. The Climate Resilient Sheltering Schools Programme, a USD 11.4 million initiative supported by the European Union (EU) and UNICEF is building adaptation planning into all local schools.

The Education in Emergency group is a primary coordination mechanism on climate change under the leadership of the Ministry of Education and Training, and Education is represented on the National Advisory Board on Climate Change & Disaster Risk Reduction.

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VIEW THE NDC 3.0 YOUTH TARGETS: https://docs.google.com/spreadsheets/d/1aT

# Youth Adaptation Finance - Commitments A90 - A94

The five youth commitments are estimated to cost approximately USD 36.5 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies).

Preferred instruments include grant-financed technical assistance and concessional MDB or multilateral climate fund loans blended with domestic budget allocations to retrofit schools, train teachers and embed risk management in curriculum. Results-based grants and youth innovation challenge funds tied to education indicators could crowd in corporate ESG and philanthropic donations, channelling resources towards climate-resilient learning environments.

Sources and instruments footnotes: 1 - 5, 9.

### Partnerships and Collaboration (A95 – A97)

Effective implementation of Vanuatu's NDC 3.0—particularly its adaptation goals—depends on inclusive, sustained, and coordinated cooperation across all sectors of society. As a small island developing state highly vulnerable to climate impacts, Vanuatu recognizes that adaptation efforts must reflect the priorities, knowledge, and capacities of those most at risk. This NDC 3.0 is therefore grounded in a whole-of-society approach, mobilizing the leadership and participation of government institutions, civil society, the private sector, and communities themselves to achieve programmatic outcomes that are locally relevant and systemically transformative.

At the national level, Vanuatu's commitment to multi stakeholder governance is exemplified by the National Advisory Board on Climate Change and Disaster Risk Reduction (NAB), which serves as the central platform for climate coordination and decision-making. The NAB includes representatives from government ministries, civil society organizations, and the private sector, ensuring inclusive oversight of NDC implementation. Furthermore, under national guidelines, Community Disaster and Climate Change Committees (CDCCCs) at the local level are required to include representatives from key groups: traditional chiefs, the church, women, youth, persons with disabilities, and business owners. These diverse perspectives ensure that climate solutions are socially embedded, culturally appropriate, and equitably distributed.

Beyond structural representation, Vanuatu is embracing principles of transparency, respect for Indigenous and traditional knowledge systems, gender equality, intergenerational equity, and subsidiarity in its approach to multi stakeholder cooperation. The NDC process is intentionally designed to strengthen trust, foster ownership, and enable communities to shape their own adaptive futures. By aligning national and subnational planning, empowering local institutions, and enhancing cross-sectoral partnerships, Vanuatu aims to create a governance ecosystem where collaborative action becomes the norm, not the exception—ensuring that the benefits of climate resilience reach all members of society.

# VIEW THE NDC 3.0 PARTNERSHIPS AND COLLABORATION TARGETS: <a href="https://docs.google.com/spreadsheets/d/1aT-5MATOU">https://docs.google.com/spreadsheets/d/1aT-5MATOU</a> o1VtEslhsbp9PNSJUSd0SWi6uEKBRflhs/edit?usp=sharing

### Partnerships and Collaboration Adaptation Finance - Commitments A95 - A97

The three collaboration commitments are estimated to cost approximately USD 1.3 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), and 10) corporate finance and ESG initiatives.

Preferred instruments comprise small grants and soft loans to civil society organisations and subnational government for participatory planning, supported by domestic budget allocations. Performance-based grants and corporate ESG contributions linked to inclusive governance indicators could support multi-stakeholder processes. Seed grants could stimulate private sector engagement in community adaptation partnerships.

Sources and instruments footnotes: 1 - 5, 9, 10.

### **Decentralisation and Locally Led Adaptation (A98 – A101)**

Vanuatu's NDC 3.0 is grounded in the principle of subsidiarity, which ensures that decision-making authority and resources are placed at the level closest to implementation. The Government of Vanuatu has made significant strides in decentralisation through the financing and empowerment of all 72 Area Councils, enabling them to develop and implement their own climate resilience priorities. This transformation builds on the foundation laid by Community Disaster and Climate Change Committees (CDCCCs), and is legally underpinned by the Decentralisation Act, which mandates a people-centered approach to governance. For the first time, direct climate financing is flowing to the subnational level, empowering Area Councils to translate national policy into locally grounded action, guided by community-identified risks and solutions.

To operationalize this commitment, Vanuatu has recruited Area Administrators for each council area, employed under the same public service conditions and salary scales as national government directors—ensuring parity, professionalism, and sustainability of leadership at the local level.

In line with its endorsement of the Principles for Locally Led Adaptation, Vanuatu has carefully incorporated these principles into all climate programs and investments, from planning to implementation and monitoring. This includes commitments to devolved decision-making, local capacity strengthening, flexible financing, and mutual accountability. Through this robust framework, Vanuatu is institutionalising locally led adaptation as the cornerstone of its climate strategy—ensuring that adaptation is not only effective, but equitable, just, and community-owned.

### VIEW THE NDC 3.0 DECENTRALISATION TARGETS:

https://docs.google.com/spreadsheets/d/1aT-

### Decentralisation Adaptation Finance - Commitments A98 - A101

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The four decentralisation commitments are estimated to cost approximately USD 22.7 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies).

Preferred instruments include concessional loans and grants channelled through subnational budgets to fund local climate action, land-use mapping and resilience projects, complemented by credit enhancement facilities that lower borrowing costs for provinces and municipal councils. Results-based grants and resilience bonds tied to subnational service delivery targets could attract impact investors and commercial co-lending. Directing adaptation funding to local communities via direct access channels would support priority measures identified through decentralised participatory processes.

Sources and instruments footnotes: 1 - 5, 9.

### **Governance of Climate Change (A102 – A105)**

Vanuatu Council of Ministers decision No81 of 2025 establishes the Ministry of Climate Change as one of five core central agencies responsible for leading national sustainable and resilient development.

Vanuatu's 'Meteorology, Geological Hazards and Climate Change Act No. 25 of 2016 (Climate Change Act)<sup>23</sup>' mandates the now well-established joint governance arrangements for climate change and disaster risk reduction programming, policy and action alongside additional guidance by the Climate Change and Disaster Risk Reduction (CCDRR) Policy 2<sup>nd</sup> Edition 2022-2030<sup>24</sup> and the National Sustainable Development Plan (NSDP) 2016-2030.

The Act provides a legal mandate for the National Advisory Board (NAB) on Climate Change and Disaster Risk Reduction, as tasked by the Council of Ministers in 2012, to act as Vanuatu's highest level policy making and advisory body for all climate change and disaster risk reduction programs, projects, initiatives and activities'.

The NAB assembles high-level representatives of key Vanuatu Government departments and agencies, and is co-chaired by the Directors General of the Ministry of Climate Change<sup>25</sup> and the Ministry of the Prime Minister's Office.

According to the CCDRR Policy<sup>26</sup>, the NAB has the following core composition: The Director, Department of Forestry has been added to the NAB core group recently, which will enable NAB to better consider REDD+ priorities in its decision making, and for coordination on financing aspects for implementation, and for providing an oversight role for the REDD+ Technical Committee.

Vanuatu's Climate Change Act lists additional NAB members:

- Director General of MoCC
- Director of the Department of Climate Change
- Director of the Department of Meteorology
- Director of the Department of Geological Hazards
- Director of the Department of Forestry
- Director of the Department of Energy
- Director of the Department of Local Authority
- Director of the Department of Environment
- Director of the Department of Foreign Affairs
- Director of the Department of Strategic Management
- Director of the National Disaster Management Office
- Director of the Department of Finance
- Director of the Department of Woman's Affairs
- Director of the Department of Public Works
- Chief Executive Officer of the Vanuatu Non-Government Organizations (VANGO)

The NAB is supported by a Secretariat, which sits within the Ministry of Climate Change Adaptation, Meteorology & Geo-Hazards, Energy, Environment and National Disaster Management.

The NAB Secretariat prepares reports on key climate projects to the Council of Ministers on behalf of the NAB, reports on projects through the government reporting system, and is the lead for all

https://www.vmgd.gov.vu/vmgd/images/admin-media/docs/Official-Gazette-No.-6-of-2017-dated-1-February-2017.pdf

<sup>&</sup>lt;sup>24</sup> https://www.nab.vu/document/vanuatu-national-ccdrr-policy-2022-2030-2nd-edition

<sup>&</sup>lt;sup>25</sup> The Director General of the Ministry of Climate Change is also Vanuatu's National Designated Authority (NDA) to the Green Climate Fund, the Nationally Designated Entity (NDE) to the Climate Technology Center and Network, and the focal point of the Global Environment Facility.

https://www.nab.vu/sites/default/files/documents/National%20CCDRR%20Policy%202022-2030.pdf

official communications to the UNFCCC. The NAB Secretariat also plays a strategic policy and coordination role.

The NAB Secretariat has several standing working groups including the UNFCCC Taskforce, the Adaptation and Loss & Damage Working Group, the Project Screening Committee, the Climate Policy and Compliance Working group, the REDD+ Technical Committee and the Climate Finance Taskforce.

This NDC 3.0 seeks to further strengthen governance of climate change resilience at all levels.

### VIEW THE NDC 3.0 GOVERNANCE TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### **Governance Adaptation Finance – Commitments A102 – A105**

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The four governance commitments are estimated to cost approximately USD 20.3 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), and 10) corporate finance and ESG initiatives.

Preferred instruments include grant-funded technical assistance and concessional MDB or multilateral climate fund loans blended with domestic budget allocations to strengthen the National Advisory Board on CCDRR, align sector laws and mainstream climate responsibilities. Results-based grants and corporate ESG contributions tied to performance-based indicators could be paired with small resilience bonds to finance training and data-sharing platforms.

Sources and instruments footnotes: 1 - 5, 9, 10.

### Climate Policy and Plans (A106 - A107)

Vanuatu's Climate Change and Disaster Risk Reduction (CCDRR) Policy 2<sup>nd</sup> Edition 2022-2030<sup>27</sup> and the National Sustainable Development Plan (NSDP):2016-2030 provide the framework to ensure that our communities, environment and economy are resilient to the impacts of climate change and disaster risks.

The vision of Climate Change and Disaster Risk Reduction Policy is for Vanuatu to be a nation whose communities, environment and economy are resilient to the impacts of climate change and disaster risks. As risks cannot be completely eliminated; however, the policy provides a framework through which risks can be identified, assessed, reduced and managed.

At the global, regional and national levels, disaster risk reduction and climate change agencies, activities and funding have been previously managed separately. A recent shift in philosophy now views the integration of climate change and disaster risk reduction initiatives as the best way to make use of resources and avoid duplication of effort. Vanuatu started this process with the establishment of the National Advisory Board on Climate Change and Disaster Risk Reduction in 20121. The government undertook a risk governance assessment to analyse Vanuatu's climate change and disaster risk governance capacity and needs at both national and local levels.2 The policy incorporates recommendations from that assessment and draws on local, provincial and national consultations.

The CCDRR Policy applies six principles: 1) accountability, 2) sustainability, 3) equity, 4) community focus, 5) collaboration, and 6) innovation. It aims to be accessible to and implemented by all government agencies and non-governmental stakeholders. The policy takes a practical approach, taking into consideration Vanuatu's resources, exposure to risks, and demographic situation. It seeks to strengthen existing capacity at national, provincial and area council levels, drawing on the country's rich heritage, traditional knowledge and the lessons learned from the broad range of initiatives regarding climate change and disaster risk reduction.

The government of Vanuatu is committed to six key priorities to direct the country's climate change and disaster risk reduction efforts. These priorities fall into two categories — systems and themes. Systems include governance, finance, knowledge and information, while themes include climate change adaptation and disaster risk reduction, low carbon development, and response and recovery.

A number of cross-cutting issues have also been considered in developing this policy and will be applied during implementation, including social and gender inclusion, capacity building, multihazard approaches, partnerships and mainstreaming into the business of a broad range of agencies and sectors. While the policy includes high-level strategies, detailed actions, lead and support agencies, resources and timelines will be further developed for implementation.

The Vanuatu CCDRR Policy seeks to strengthen existing capacity at national, provincial and area council levels, drawing on the country's rich heritage, traditional knowledge, and the lessons learned from the broad range of initiatives regarding climate change and disaster risk reduction.

# VIEW THE NDC 3.0 Climate Policy TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### Climate Policy Adaptation Finance - Commitments A106 - A107

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The two climate policy and plans commitments are estimated to cost approximately USD 4.2 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF),

<sup>&</sup>lt;sup>27</sup> https://www.nab.vu/document/vanuatu-national-ccdrr-policy-2022-2030-2nd-edition

4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), and 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD).

Preferred instruments include grants and soft loans for UNFCCC submission preparation, supported by domestic budget allocations, technical assistance windows, and credit-guarantee facilities. Performance-based contracts could crowd in philanthropic and ESG contributions to support policy development and integration of climate-related loss and damage evidence.

Sources and instruments footnotes: 1 - 5.

### Meteorology and Climate Information Services (A108 - A110)

As the effects of global warming further manifest and the hazards of climate change arise at accelerating rates, there is a need to shift the paradigm towards the standardized and mainstreamed use of science based climate information, at multiple timescales, to support resilient development pathways in Vanuatu.

Vanuatu is strengthening and applying Climate Information Services across sectors, including by building the technical capacity in Vanuatu to harness and manage climate data; develop and deliver practical CIS tools and resources; support enhanced coordination and dissemination of tailored information; enhance CIS information and technology infrastructure; and support the application of relevant CIS through real-time development processes, for more resilient outcomes.

Vanuatu has identified the need to address information gaps and priority needs of target beneficiaries at national, provincial and local community levels on the basis of the Vanuatu Framework for Metrological Services (and the Global Framework for Metrological Services).

Several major climate programmes are delivering enhanced climate information services including the US\$ 21.8 million GCF-funded Climate Information Services for resilient development in Vanuatu project, which is delivering enhanced capacity and capability of national development agents, to understand, access and apply CIS, enhanced CIS communications, knowledge products, tools, and resources for practical application to development processes, enhanced reliability, functionality, utility and timeliness of underlying CIS delivery systems and data collection infrastructure, and enhanced scientific data, information and knowledge of past, present and future climate to facilitate innovative and resilient development.

Meteorology and climate services must reach all end-users, and play a central role in effectively helping people manage and adapt to climate variability and change in Vanuatu. The production and dissemination of climate data and information, an integral part of what can be referred to as a Climate Early Warning System (CLEWS), are an essential part of Vanuatu's adaptation strategy. The goal of Vanuatu's CLEWS is for it to be integrated with other hazard warnings as a Multi-Hazard Early Warning System for the benefit of all ni-Vanuatu society.

VIEW THE NDC 3.0 Meteorology and CIS TARGETS: https://docs.google.com/spreadsheets/d/1aT-5MATOU\_o1VtEslhsbp9PNSJUSd0SWi6uEKBRflhs/edit?usp=sharing

# Meteorology and Climate Information Services Adaptation Finance – Commitments A108 – A110

The three meteorology and CIS commitments are estimated to cost approximately USD 5.5 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies).

Preferred instruments include concessional loans and grants to upgrade climate information systems, early warning infrastructure and tailored climate services, supported by green or resilience bonds and risk guarantees to attract commercial co-lending. Results-based grants tied to warning dissemination targets could mobilise private capital and impact investments.

Sources and instruments footnotes: 1 – 5. 9.

### **Tourism (A111 – A119)**

Vanuatu recognizes the vital role that a climate-resilient tourism sector plays in national sustainable development. To safeguard this economic lifeline from climate risks, the Government of Vanuatu is actively supporting the transformation of tourism through green certification programs that encourage low-carbon operations, waste minimization, water conservation, and energy efficiency. These certification schemes also promote nature-based solutions and sustainable land-use practices, helping tourism businesses become stewards of the environment. Vanuatu's NDC includes measures to expand such programs across the sector, ensuring that adaptation is embedded in tourism operations from planning through to service delivery.

In parallel, the government is championing regenerative agriculture and farm-to-table supply chains that link local farmers with tourism operators. These efforts not only build resilience in food systems, but also reduce import dependence and ensure that tourism dollars circulate within local economies. Coastal and marine-based tourism is being reoriented to support and benefit from resilient marine and coastal management practices, including locally managed marine areas (LMMAs), coral restoration, and sustainable fisheries. These initiatives generate tangible cobenefits—restoring ecosystems, sustaining livelihoods, and delivering authentic experiences for visitors.

At the heart of Vanuatu's tourism adaptation strategy is inclusive economic empowerment. The government, in partnership with local councils and the private sector, is working closely with grassroots micro- and small-scale enterprises—especially those led by women and youth—to build capacity, access finance, and link to sustainable tourism markets. Moreover, the electrification of tourism sites with renewable energy solutions not only decarbonizes the sector but also provides reliable power for climate-resilient infrastructure and essential services.

### VIEW THE NDC 3.0 TOURISM TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### **Tourism Adaptation Finance – Commitments A111 – A119**

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The nine tourism commitments are estimated to cost approximately USD 36.9 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 7) national development banks (e.g., VRDB), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), and 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers).

Preferred instruments include concessional MDB or multilateral climate fund loans blended with grants to support climate proofing of tourism facilities, map climate sensitive sites, and roll out sustainability certification schemes. Use of risk guarantees and PPPs could shift construction and operational risk to private operators. Green or blue resilience bonds, results-based grants linked to sustainability indicators, impact investments and voluntary carbon credit off-take agreements could crowd in corporate ESG and commercial co-financing.

Sources and instruments footnotes: 1 - 5, 7, 9, 13, 14.

### Trade (A120)

Vanuatu's trade sector is highly vulnerable to the impacts of climate change, from the disruption of agricultural supply chains—such as kava, copra, cocoa, and beef—to the destabilizing effects of cyclones, droughts, and sea level rise on infrastructure critical to export and import flows. Climate shocks also affect labour mobility, a key component of Vanuatu's economic resilience, with increasing risks to seasonal workers under the Pacific Labour Mobility Scheme who face extreme heat and uncertain employment conditions. The Government of Vanuatu is committed to upholding the rights and protections of all Ni-Vanuatu workers abroad, and recognizes that just and sustainable trade must go hand in hand with climate adaptation and social safeguards.

To ensure long-term resilience, Vanuatu's NDC 3.0 prioritizes adaptation measures that strengthen the sustainability and efficiency of its trade networks. These include climate-proofing port and airport infrastructure, investing in cold storage and decentralized processing to reduce post-harvest loss, and promoting climate-smart agriculture and agroforestry to stabilize export production. Efforts are also underway to green and decentralize logistics and transportation, reduce trade-related emissions, and support local enterprises to access low-carbon certification and climate-resilient market standards. At the same time, the high costs of moving goods from Vanuatu to international markets demand regional and global cooperation to ensure that trade remains viable, inclusive, and aligned with the Paris Agreement.

### **Trade Adaptation Finance – Commitment A120**

The one trade commitment is estimated to cost approximately USD 200,000.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), and 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies).

Preferred instruments include small grants and soft loans for awareness campaigns on trade and climate links, blended with domestic budget support and grant-financed technical assistance. Performance based grants could be to trade and climate relevant indicators (e.g., inclusion on the National Advisory Board on CCDRR). Modest resilience bonds could channel additional concessional debt.

Sources and instruments footnotes: 1 - 5, 9.

### Finance (A121 – A125)

Article 9 of the Paris Agreement and the principles and provisions of the Convention mandate that climate finance must be delivered by developed countries to developing countries based on equity and the principle of common but differentiated responsibilities.

Transparency arrangements on climate finance must be related to a definition which is agreed on what to count and what not to count as climate finance. Loans at market rate and private finance at market rate of return cannot be termed as climate finance under this NDC 3.0. Rather, they represent a reverse capital flow from developing to developed countries when repayments are considered.

Vanuatu is of the position that climate finance is about provision of climate finance from developed to developing countries in concessional terms; it cannot include loans at the market rate, and private finance the market rate of return, ODAs, or non-climate specific finance.

Climate Finance must not impose additional conditionalities to the provision and/or mobilization of climate finance to developing countries. It must provide access features that operationalize the requirement for access channels to ensure efficient and swift access to, and enhance the coordination and delivery of climate finance for developing countries, noting the special considerations for SIDS and LDCs as set out in the Paris Agreement.

Climate finance must be delivered via provision of public finance in a grants-based or concessional manner to address macroeconomic constraints of developing countries, including limited fiscal space, and the need for support to enhance the economic situations of net-economic benefit for developing countries.

A clear agreement burden sharing amongst developed countries is critical to establish a 'fair share' allocation of their collective obligation to provide climate finance, which allows predictability, transparency, and accountability. These partners must work proactively with Vanuatu to address "dis-enablers" of climate finance such as the high cost of capital, high transaction costs associated with access, unilateral measures such as CBAM, etc.

This NDC 3.0 is conditionally dependent on the fulfilment of developed countries to deliver support for developing countries like Vanuatu in line with Article 9 of the Paris Agreement.

# VIEW THE NDC 3.0 FINANCE TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### Finance - Commitments A121 - A125

The five finance commitments are estimated to cost approximately USD 9.6 million.

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Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 7) national development banks (e.g., VRDB), 8) national pension fund (e.g., VNPF), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 10) corporate finance and ESG initiatives, 11) corporate finance and ESG initiatives, 12) impact and investment funds, 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers), 15) insurance and risk transfer mechanisms (e.g., PCRIC, PICAP), and 16) litigation and settlement funds.

Preferred instruments include grant-financed technical assistance, concessional MDB or multilateral climate fund loans, and blended finance vehicles that could support establishing

# CONSULTATION DRAFT - Vanuatu NDC 3.0 (2025-2035)

adaptation funds, levy schemes, and climate risk insurance pools. Green or sustainability linked bonds, results-based grants tied to fiduciary milestones, and parametric risk transfer products could support diversified revenue streams. Credit guarantee and first-loss facilities could crowd in commercial lending for PPP projects and gender-responsive finance tools.

Sources and instruments footnotes: 1 - 16.

### Statistics (A126)

Robust, timely, and inclusive statistical systems are essential to guiding climate adaptation efforts and ensuring that no one is left behind in Vanuatu's response to climate change. The Vanuatu Bureau of Statistics (BoS) plays a central role in strengthening the country's evidence base for climate-informed policy and planning. Through the integration of climate and environmental indicators into national data collection tools—including the national census, household income and expenditure surveys, and the Vanuatu Labour Market Survey—the BoS is ensuring that climate vulnerabilities, impacts, and adaptation capacities are more visible, measurable, and actionable at both local and national levels.

To make statistics more fit-for-purpose in a climate-vulnerable context, Vanuatu is implementing a range of best practices in climate data collection. These include the development of localized wellbeing indicators to monitor holistic adaptation outcomes, the application of geo-referenced data for disaster risk analysis, and the inclusion of climate risk modules in socioeconomic surveys. Vanuatu is also advancing new methodologies to capture the lived experience of climate change, such as integrating participatory approaches in data collection and tracking non-economic losses. These investments ensure that adaptation priorities are based on grounded realities and that progress is regularly monitored using inclusive, climate-relevant, and gender-sensitive metrics.

The Statistical development plan for Vanuatu disaster-related statistics 2024–2028<sup>28</sup> aims to coordinate, collate, produce, and disseminate quality and timely disaster-related statistical information for managing and reporting on the risk, occurrence, and impact of major disasters in Vanuatu, including to produce a minimum set of disaster-related statistics that will meet national, regional and international needs for disaster-related statistics.

### VIEW THE NDC 3.0 STATISTICS TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### Statistics Adaptation Finance – Commitment A126

The one statistics commitment is estimated to cost approximately USD 5.2 million.

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Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), and 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD).

Preferred instruments include grants and concessional MDB or multilateral climate fund loans blended with domestic budget allocations to develop the distinanced technical assistance could be paired with mode payments tied to timely data publication and accuracy indications investments supporting statistics to inform evidence-b

Sources and instruments footnotes: 1 - 5.

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<sup>28</sup> https://vbos.gov.vu/sites/default/files/NSDS%3B%20Disaster%20Relaction

### NDC 3.0 Loss and Damage Contribution

### Loss and Damage (L1 - L45)

Vanuatu has long been leading international efforts to raise the profile of climate change impacts on vulnerable nations and expand international action and support for climate loss and damage. As the co-founding chair of the Alliance of Small Island States (AOSIS), first called for Loss & Damage finance in the early 1990s to become a part of the multilateral UN Framework Convention on Climate Change. The nation has consistently been a voice of high ambition action throughout the operationalisation of the Warsaw International Mechanism on Loss & Damage, and the creation of the Santiago Network on Loss & Damage and holds a shared Pacific SIDS seat on the board of the new UN Fund for Responding to Loss and Damage.

Where UN mechanisms are unable to provide adequate relief from loss and damage resulting from the negligent actions of fossil fuel-related companies and the states that subsidise them, Vanuatu will seek legal redress elsewhere.

In this context, when the Republic of Vanuatu deposited its Paris Agreement instrument of ratification on 21 September 2016, the compendium declaration reads, in part:

"...the Government of the Republic of Vanuatu declares its understanding that ratification of the Paris Agreement shall in no way constitute a renunciation of any rights under any other laws, including international law, and the communication depositing the Republic's instrument of ratification shall include a declaration to this effect for international record."

Vanuatu led an historic initiative at the United Nations General Assembly in 2023 to request for an Advisory Opinion to the UN's International Court of Justice<sup>29</sup> seeking clarity, under International Law with the following questions<sup>30</sup>:

- 1) What are the obligations of States under international law to ensure the protection of the climate system and other parts of the environment from anthropogenic emissions of greenhouse gases for States and for present and future generations;
- (2) What are the legal consequences under these obligations for States where they, by their acts and omissions, have caused significant harm to the climate system and other parts of the environment, with respect to:
  - (a) States, including, in particular, small island developing States, which due to their geographical circumstances and level of development, are injured or specially affected by or are particularly vulnerable to the adverse effects of climate change?
  - (b) Peoples and individuals of the present and future generations affected by the adverse effects of climate change?"

To prevent and disincentivise environmental loss and damage from climate change, in 2024 Vanuatu (along with Fiji and Samoa) proposed to the Assembly of States Parties to the Rome Statute of the International Criminal Court (ICC) that ecocide be formally classified as an international crime<sup>31</sup>, defined as "unlawful or wanton acts committed with knowledge that there is a substantial likelihood of severe and either widespread or long-term damage to the environment being caused by those acts."

The Vanuatu Department of Climate Change has developed a first-in-the-world Loss and Damage Policy and Implementation Roadmap in 2025<sup>32</sup>, as a critical first step in launching Vanuatu's own Loss and Damage Fund and making a major funding request to the UN Fund for responding to Loss and Damage. Vanuatu's Loss & Damage Policy includes the following features:

<sup>&</sup>lt;sup>29</sup> https://documents.un.org/doc/undoc/ltd/n23/094/52/pdf/n2309452.pdf?token=MYe2stN3ptvJrPYEGB&fe=true

<sup>30</sup> https://www.icj-cij.org/case/187

https://www.theguardian.com/law/article/2024/sep/09/pacific-islands-ecocide-crime-icc-proposal

<sup>32</sup> https://docc.gov.vu/index.php/lnd/lnd-policy

- 85 LnD policy directives, phased into short, medium and long-term priorities, across 11 thematic areas:
  - Governance of Loss and Damage(11)
  - Assessment of Loss and Damage (8)
  - Programmatic Approach to Address Loss and Damage (4)
  - Economic and Non-Economic Loss and Damage (8)
  - Extreme, Rapid and Slow-Onset Events (8)
  - Locally Led Action and Traditional Knowledge to Address Loss & Damage (6)
  - Displacement, Relocation and Human Mobility (12)
  - Uncertainty, Tipping Points, Extreme Future Risks (5)
  - Climate Justice, Protecting Human Rights and Upholding to International Legal Obligations (4)
  - Loss & Damage Finance and Means of Implementation (12)
  - International Engagement and Advocacy (7)
- Short term implementation roadmap for 2025-2030, with full costs of implementation reaching 1,010,820,000 VUV
- Comprehensive history of Vanuatu's loss and damage international leadership
- Theoretical Framework linking loss & damage to sustainable development goals, mitigation of greenhouse gasses, adaptation, disaster risk reduction, humanitarian action and disaster recovery
- Vanuatu specific definition of Loss and Damage, according to 15 core conceptual elements
- Typology of actions which fall under the remit of "addressing loss and damage" and that would qualify for loss and damage financial and technical support.
- List of current and future L&D projects and initiatives
- Review of capacity and technology needs for Loss & Damage
- Future Research Priorities in Vanuatu on Loss and Damage

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This NDC 3.0 fully aligns with the Loss and Damage Policy and aims to elevate the profile and critical importance of addressing loss and damage to achieve Vanuatu's overall climate goals and commitments to the Paris Agreement

# VIEW THE NDC 3.0 LOSS AND DAMAGE TARGETS: https://docs.google.com/spreadsheets/d/1aT-

### Loss and Damage Finance Commitments L1 - L45

The 45 loss and damage commitments are estimated to cost approximately USD 1.1 billion.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 8) national pension fund (e.g., VNPF), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 10) corporate finance and ESG initiatives, 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers), 15) insurance and risk transfer mechanisms (e.g., PCRIC, PICAP), and 16) litigation and settlement funds.

Preferred instruments include grants and concessional MDB or multilateral climate fund loans blended with domestic budget allocations to establish loss assessment systems, provide adaptive social protection services, and develop parametric risk transfer products (e.g., sovereign or household level insurance, catastrophe bonds). Contingent credit lines and climate resilient debt clauses within loan agreements could strengthen access to rapid liquidity after climate shocks. Litigation settlement funds, results-based grants tied to social impact, and blended vehicles that pair first-loss guarantees with private equity or impact investments could crowd in commercial

## CONSULTATION DRAFT - Vanuatu NDC 3.0 (2025-2035)

lending and ESG investors. Voluntary and compliance carbon credit revenue and compensation payments could help capitalise the national loss and damage fund.

Sources and instruments footnotes: 1 – 16.

### NDC 3.0 Means of Implementation and Financing Needs

There are 204 commitments across mitigation (33), adaptation (126), and loss and damage (45) thematic areas and are estimated to cost approximately USD 2.8 billion to achieve over the 2025-2035 time period.

Table 2: Summary of Finance Required by Thematic Area (USD and VUV)

Finance Summary	Finance Required (USD)	Finance Required (VUV) <sup>33</sup>	Share of Budget
Mitigation	539,362,000	65,262,802,000	19.48%
Adaptation	1,091,720,000	132,098,120,000	39.43%
Loss and Damage	1,137,359,850	137,620,541,850	41.08%
Total	2,768,441,850	334,981,463,850	100.00%

Table 3: Summary of Finance Required by Thematic Area (USD and VUV)

Finance by Thematic Area	Finance Required (USD)	Finance Required (VUV)	Share of Budget
Mitigation – Electricity Generation	72,822,000	8,811,462,000	13.50%
Mitigation – Energy Efficiency	3,700,000	447,700,000	0.69%
Mitigation – Transport	47,500,000	5,747,500,000	8.81%
Mitigation – Commercial, Institutional and Residential	128,350,000	15,530,350,000	23.80%
Mitigation – Livestock: AFOLU	1,790,000	216,590,000	0.33%
Mitigation – Forestry: AFOLU	3,900,000	471,900,000	0.72%
Mitigation – Municipal Solid Waste	136,660,000	16,535,860,000	25.34%
Mitigation – Wastewater	139,640,000	16,896,440,000	25.89%
Mitigation – Trade	5,000,000	605,000,000	0.93%
Sub-Total	539,362,000	65,262,802,000	100.00%
Adaptation – Agriculture	157,700,000	19,081,700,000	14.45%
Adaptation – Biosecurity	5,980,000	723,580,000	0.55%
Adaptation – Fisheries	29,400,000	3,557,400,000	2.69%
Adaptation – Forestry	136,680,000	16,538,280,000	12.52%
Adaptation – Livestock	11,860,000	1,435,060,000	1.09%
Adaptation – Water	164,860,000	19,948,060,000	15.10%
Adaptation – Health	56,290,000	6,811,090,000	5.16%
Adaptation – Environment	17,550,000	2,123,550,000	1.61%
Adaptation – Oceans	29,870,000	3,614,270,000	2.74%
Adaptation – Waste	20,010,000	2,421,210,000	1.83%
Adaptation – ICT	12,510,000	1,513,710,000	1.15%
Adaptation – Infrastructure	259,030,000	31,342,630,000	23.73%
Adaptation – PWD	1,740,000	210,540,000	0.16%
Adaptation – Gender and Social Inclusion	28,820,000	3,487,220,000	2.64%
Adaptation – Human Rights and Climate Justice	6,580,000	796,180,000	0.60%
Adaptation – Indigenous People	10,580,000	1,280,180,000	0.97%
Adaptation – Youth	36,450,000	4,410,450,000	3.34%
Adaptation – Collaboration	1,300,000	157,300,000	0.12%
Adaptation – Decentralisation	22,720,000	2,749,120,000	2.08%

 $<sup>^{33}</sup>$  FX conversion rate of 1 USD = 121 VUV / 100 VUV = 0.83 USD.

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Adaptation – Governance	20,270,000	2,452,670,000	1.86%
Adaptation – Climate Policy and Plans	4,190,000	506,990,000	0.38%
Adaptation – Meteorology and CIS	5,460,000	660,660,000	0.50%
Adaptation – Tourism	36,890,000	4,463,690,000	3.38%
Adaptation – Trade	200,000	24,200,000	0.02%
Adaptation – Finance	9,580,000	1,159,180,000	0.88%
Adaptation – Statistics	5,200,000	629,200,000	0.48%
Sub-Total	1,091,720,000	132,098,120,000	100.00%
Loss and Damage	1,137,359,850	137,620,541,850	100.00%
Sub-Total	1,137,359,850	137,620,541,850	100.00%

Each NDC 3.0 commitment is assessed against a typography of 16 preferred sources of finance with accompanying financial instruments. These include both external partners (e.g., MDBs, climate trust funds, development programs, institutional development partners, bilateral agencies) and domestic resources (e.g., national climate funds, national development banks, national pension funds, domestic government budget). Non-governmental sources are also captured, including philanthropic foundations and private sector actors (e.g., corporate finance, impact and investment funds, commercial banks). New and innovative sources include accessing carbon markets (e.g., carbon credits, emission trading), risk transfer schemes (e.g., parametric insurance), and litigation and settlement funds (e.g., compensation payments, legal reparations).

Table 4: Preferred Sources, Potential Instruments, and Examples of Sources

#	Preferred Sources	s, Potential Instruments, and Example Potential Instruments	Examples of Sources
			•
1	Multilateral Development Banks (MDBs)	Grants, guarantees, equity investments, technical assistance, PPP financing, risk-sharing mechanisms	ADB, World Bank (IBRD, IDA, IFC)
2	Multilateral Climate Trust Funds	Grants, guarantees, results-based financing, equity investments, performance-based payments, blended finance, technical assistance	Green Climate Fund (GCF), Global Environment Facility (GEF), Adaptation Fund (AF), Climate Investment Funds (CIF), Strategic Climate Fund (SCF), Pacific Resilience Facility (PRF)
3	Multilateral Development Trust Funds and Programs	Grants, in-kind support, technical assistance, PPP financing, blended finance	IFAD, GAFSP, UNCDF, GFDRR, Regional Pacific NDC Hub
4	Institutional Development Partners	Grants, in-kind support, technical assistance, research funding, policy advisory services, training and capacity building	SPREP, SPC, PIFS, UNDP, FAO, UNICEF, UNDRR, GGGI, GIZ
5	Bilateral Development Agencies and Funds	Grants, technical assistance, debt- for-climate swaps, blended finance, PPP financing, results-based financing	Australia DFAT, New Zealand MFAT, Japan JICA, France AFD, KOICA, China Aid
6	National Climate Funds	Loan guarantees, blended finance, PPP financing, credit enhancements	National Green Energy Fund (NGEF), National Loss and Damage Fund
7	National Development Bank	Green/blue/climate/resilience bonds, loan guarantees, blended finance, PPP financing, credit enhancements	Vanuatu Rural Development Bank (VBRD)
8	National Pension Fund	Green/blue/climate/resilience bonds, ESG-focused portfolio allocations, sustainability-linked investments, direct equity investments	Vanuatu National Provident Fund (VNPF)

9	Domestic Government Budget	Direct budget allocations, PPPs, sovereign bonds, new taxes/levies (e.g., climate levies, carbon pricing), debt-for-climate swaps, climate-focused fiscal policies	Vanuatu National Budget Allocations for Agriculture & Disaster Preparedness
10	Philanthropic Foundations	Grants, impact investments, in-kind support, research funding, technical assistance, program-related investments	Rockerfeller Foundation, ClimateWorks Foundation, IKEA Foundation
11	Corporate Finance and ESG Initiatives	Corporate social responsibility (CSR) investments, direct equity, corporate green bonds, sustainability-linked finance, voluntary carbon offsets, impact-linked finance, PPPs	Regional SMEs and corporate enterprises
12	Impact and Investment Funds	Equity, blended finance, venture capital, sustainability-linked finance, impact bonds, results-based financing, PPPs	Global Climate Partnership Fund (GCPF), BlueOrchard Finance, responsibility, Breakthrough Energy Ventures, Pegasus Capital Advisors
13	Private Sector Finance and Commercial Banks	Green bonds, climate resilience bonds, sustainability-linked credit, trade finance, credit risk guarantees, impact bonds, PPPs	National Bank of Vanuatu (NBV), ANZ, BRED Bank, Bank of the South Pacific (SBP)
14	Carbon Markets and Compliance Schemes	Carbon credits, emissions trading, results-based payments, blue carbon finance, voluntary carbon market investments	Voluntary Carbon Market Buyers, Corporate Offset Programs (e.g., Shell, Microsoft, Patagonia's Climate Fund)
15	Insurance and Risk Transfer Mechanisms	Climate risk insurance, parametric insurance, catastrophe bonds, disaster risk pools, credit guarantees	Pacific Catastrophe Risk Insurance Company (PCRIC), Pacific Insurance and Climate Adaptation Programme (PICAP), Swiss Re, Munich Re, World Bank Disaster Risk Finance Facility
16	Litigation and Settlement Funds	Climate liability settlements, compensation payments from fossil fuel companies or high-emitting industries, legal reparations for environmental damage	Potential funds secured through legal action against polluting entities or contributions from climaterelated liability lawsuits

### **Approach to Estimating NDC 3.0 Finance Needs**

The approach to estimated required finance per commitment was derived through a two-track process that distinguished between legacy commitments carried over from the previous NDC (Revised and Enhanced) and the suite of new targets introduced in NDC 3.0. For existing actions, 2020 cost baselines were first escalated to 2025 prices using the average consumer price inflation observed in Vanuatu since 2020 (about 2.8% per year, or 12 percent cumulative). A further 15% premium was added to capture the region's higher freight, logistics and construction costs after the COVID-19 pandemic. To account for the implementation period of 2025-2035, one-off activities such as policy preparation retained their real 2020 values, whereas multi-year programs were normalised over the longer period.

Sector-specific trends were then applied. For mitigation, falling global module prices were more than offset by higher balance-of-system and shipping expenses, yielding a net real increase of roughly 33% on 2020 figures. For adaptation, unit rates were aligned with recent Pacific grant projects financed by the GCF, ADB and others. For loss and damage, contingency-funding needs followed UNDRR and ADB guidance on contingency-funding capitalisation (e.g., approximately

1% of exposed public assets), use of PCRAFI public-asset exposure data, and benchmarking against PDNA/GRADE data from recent Tropical Cyclones Judy and Kevin (e.g., USD 433m and 27% of infrastructure damage) to inform capitalisation of the national loss and damage fund.

For new commitments, costs were estimated from the bottom up. Activity quantities (e.g., number of biogas digesters, hectares of restored mangroves, or provincial water-supply schemes) were multiplied by benchmark unit prices drawn from comparable Pacific projects and regional studies, then adjusted by the same inflation and logistics factors used for legacy items. Large civil works investments were cross-checked against multilateral project averages (e.g., USD 15 million per provincial water system in recent ADB operations).

All assumptions were validated through an in-depth stakeholder consultation process. Desktop research provided initial parameters, which were refined via key informant interviews, focus group discussions, technical workshops, and online data collection surveys. These engagements supported validation of both quantitative and qualitative elements of each commitment, ensuring that the final figures reflect both internationally recognised benchmarks and national realities.

### Overview of Mitigation Finance Required (Commitments M1 – M33)

The 33 mitigation commitments across nine sub-sectors are estimated to cost approximately USD 539 million.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF, Regional Pacific NDC Hub), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, SPC, SPREP), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 7) national development banks (e.g., VRDB), 8) national pension fund (e.g., VNPF), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 10) corporate finance and ESG initiatives, 12) impact and investment funds, 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), and 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers).

Mitigation commitments will be financed through a layered blended finance structure. Large, capital-intensive assets (e.g., renewable energy plants, electric vehicle charging networks, waste-to-energy facilities, wastewater treatment plants) will rely on concessional MDB and multilateral climate fund loans. These loans will be complemented by green or sustainability-linked bonds, PPP concessions, and grant-financed technical assistance to attract institutional investors while shifting construction and operating risks to private sector actors.

Smaller, distributed actions (e.g., appliance efficiency, building retrofits, clean cooking devices, livestock productivity measures) will utilise results-based grants, pay-as-you-save credit lines, and micro-loans from the local financial intermediaries. Impact and equity investments can be paired with first-loss guarantees to de-risk private sector capital.

Forestry mitigation is centred on REDD+ results-based payments, voluntary or compliance carbon-credit purchase agreements, and payments for ecosystem services. Concessional loans could fund nurseries, inventory work, and monitoring. Across renewables, waste, and geothermal trade projects, verified carbon-credit revenues and corporate ESG contracts could support performance-linked revenues streams that improve project bankability.

Additionally, parametric insurance and catastrophe-bond could be utilised to transfer risk from transport, livestock, and waste assets from climate shocks. Blending grants with concessional debt, and domestic resources could speed up project pipelines. Identified instruments match the risk-return profile of each sub-sector (electricity generation, energy efficiency, transport, commercial-institutional-residential, livestock, forestry, municipal solid waste, wastewater, and trade) and aim to preserve fiscal space and debt sustainability.

Sources and instruments footnotes: 1 - 10, 12 - 14.

Overview of Adaptation Finance Required (Commitments A1 – A126)

The 126 adaptation commitments across 26 sub-sectors are estimated to cost approximately USD 1.1 billion.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF, Regional Pacific NDC Hub), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, SPC, SPREP), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 6) national climate funds (e.g., NGEF), 7) national development banks (e.g., VRDB), 8) national pension fund (e.g., VNPF), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 10) corporate finance and ESG initiatives, 11) corporate finance and ESG initiatives, 12) impact and investment funds, 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers), 15) insurance and risk transfer mechanisms (e.g., PCRIC, PICAP), and 16) litigation and settlement funds.

Adaptation commitments will be financed through a blended mix of public concessional capital, market-rate instruments, and risk transfer mechanisms. Grants and concessional MDB or multilateral climate fund loans will support service delivery sectors (e.g., agriculture, water, health, biosecurity, fisheries, livestock, and meteorology) covering core infrastructure, extension services and data systems. Results-based grants and impact investments could be tied to measurable indicators for commitments under gender and social inclusion, youth engagement, human rights, indigenous knowledge, collaboration, and decentralisation.

Capital- intensive areas (e.g., forestry, environment, oceans, waste, ICT, resilient infrastructure, and tourism) could utilise green, resilience or blue bonds, credit-enhanced PPP concessions, and grant-financed technical assistance to leverage private finance. Guarantee facilities and first-loss tranches could lower borrowing costs for MSMEs and cooperatives across trade and agriculture value chains.

Use of parametric insurance, catastrophe bonds and adaptive social protection windows will help address systemic risk, providing support for agriculture, livestock, coastal fisheries and public assets from climate shocks. Blended finance could pair carbon or biodiversity payments with public grants to fund ecosystem-based measures such as under forestry, oceans and environment commitments.

Sources and instruments footnotes: 1 - 16.

Overview of Loss and Damage Finance Required (Commitments L1 – L45)

The 45 loss and damage commitments are estimated to cost approximately USD 1.1 billion.

Key sources of finance include: 1) MDBs (e.g., ADB, World Bank), 2) multilateral climate trust funds (e.g., GCF, GEF, PRF), 3) multilateral development trust funds and programs (e.g., IFAD, UNCDF), 4) Institutional development partners (e.g., UNDP, GIZ, GGGI, Regional Pacific NDC Hub), 5) bilateral development agencies and funds (e.g., DFAT, MFAT, China Aid, JICA, AFD), 8) national pension fund (e.g., VNPF), 9) domestic government budget (e.g., parliamentary budget allocation, new taxes / levies), 10) corporate finance and ESG initiatives, 13) private sector finance and commercial banks (e.g., domestic and regional commercial banks), 14) carbon markets and compliance schemes (e.g., voluntary and compliance carbon-market buyers), 15) insurance and risk transfer mechanisms (e.g., PCRIC, PICAP), and 16) litigation and settlement funds.

Loss and damage commitments will be financed through a blended finance approach. Foundational work (e.g., technical assessments, institutional strengthening, capacity building, policy and regulatory frameworks, community engagement) will utilise grants and concessional MDB or multilateral climate fund loans paired with domestic budget allocations. These sources secure predictable, low-cost capital.

Access to rapid liquidity after extreme weather events will rely on utilisation of sovereign and household-level parametric insurance, catastrophe bonds, contingent credit lines, and climate-resilient debt clauses. Risk transfer instruments will complement adaptive social protection programming and cash transfer schemes that are triggered by pre-agreed impact thresholds.

Long-term recovery, relocation and livelihood restoration will be financed through blended finance vehicles that pair first-loss or guarantee facilities with philanthropic, impact investments, and private sector ESG funding. New and innovative sources could include voluntary or compliance carbon credit schemes, litigation or settlement proceeds, and potential international compensation payments could help capitalise the national loss and damage fund.

Sources and instruments footnotes: 1 - 5, 8 - 10, 13 - 16.

### Additional Financing Considerations

These figures represent the highest priority placed by Vanuatu on resilience, and the extremely high costs associated with failure to adapt, as exemplified by the devastating financial, social and environmental losses and damages experienced already and expected to increase exponentially as climate change accelerates.

The activities will be implemented over a period of 10 years (2025-2035) by integrating them under the government's recurrent budgets as various subsidy policies, projects or programmes. As these targets are well aligned with the country's existing policies and plans, they will have high ownership and will be implemented in a timely manner.

Vanuatu has the institutional structure for implementation of the enhanced NDC. The National Advisory Board (NAB) is the supreme policy making and advisory body for all disaster risk reduction and climate change programmes, projects, initiatives and activities in Vanuatu. The NAB develops Disaster Risk Reduction (DRR) and Climate Change policies, guidelines and positions, advises on international and regional DRR and CC obligations, facilitates and endorses the development of new DRR and CC programmes, projects, initiatives and activities, acts as a focal point for information sharing and coordination on CC/DRR, and guides and coordinates the development of national climate finance processes.

The Ministry of Climate Change Adaptation (MoCC), Meteorology and Geo-Hazards, Energy, Environment and National Disaster Management is the nodal agency as part of the Government's efforts to streamline Vanuatu's climate change natural disaster responses and sustainable development of the environment. The Department of Climate Change (DoCC), within the Ministry of Climate Change, is mandated to ensure that high quality services are provided in relation to climate change in Vanuatu. The Ministry and the National Advisory Board (NAB) are mandated with coordinating all government and non-government initiatives addressing climate change and disaster risk reduction in the country.

The Vanuatu NDC 3.0 will be implemented in close coordination with other line ministries, provincial governments, private sector organisations, academic organisations, donor agencies and development partners, civil society and non-governmental organisations (NGOs).

### Vanuatu Climate Finance Country Platform to implement the NDC

Vanuatu's National Advisory Board on Climate Change and Disaster Risk Reduction is working towards the implementation of a Country Platform for Climate Finance in order to ensure coordinated, complementary and coherent resourcing and implementation of the Nationally Determined Contribution (NDC) to the Paris Agreement and resourcing of other key climate initiatives.

Vanuatu's Country Platform is a mechanism to streamline finance flows and ensure national ownership through multi-stakeholder and multi-sector structures which are nationally led, aligned with local priorities, and designed to bring together diverse finance sources behind programmatic and unified investment approaches rooted in national strategies.

# Vanuatu Climate Finance Country Platform for implementation of the NDC 3.0 and other key climate initiatives

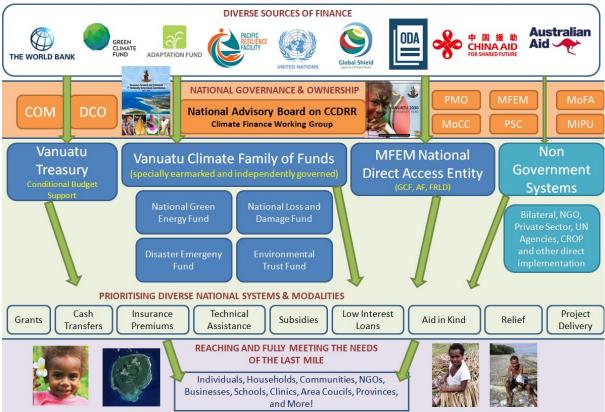


Figure 1: Vanuatu Climate Finance Country Platform

Vanuatu's programmatic Country Platform aims to align and mobilize diverse financial flows—public and private, international and domestic—toward the implementation of Vanuatu's new and fully costed NDC 3.0 and other key climate initiatives.

The NDC 3.0 serves as the coordinating policy document for climate change in Vanuatu as it comprehensively pulls together the climate targets articulated in all sector policies, plans and strategies and is fully aligned to regional and international climate obligations.

Vanuatu's NDC Climate Finance Country Platform performs the following core functions:

- Link investment directly to national priorities, leveraging the NDC as a guiding policy and implementation framework.
- Coordinate multiple modalities of finance, including direct budget support, small grants for communities and civil society, concessional loans, insurance and risk finance instruments, and public-private partnerships.

- Strengthen national systems, by channeling an increasing share of climate finance through national fiduciary systems, incentivizing public finance management reform and improving long-term financial sustainability.
- Promote inclusivity and ownership over climate priorities, ensuring strong engagement of women, youth, customary leaders, persons with disabilities, and civil society in decisionmaking, implementation, and accountability processes.
- Coordinate the Vanuatu Climate Funds, which will include the National Green Energy Fund, the Emergency Fund, the Loss & Damage Fund and the Environmental Trust Fund.

### **Strategic Alignment and Justification**

Vanuatu's Climate Finance Country Platform approach is aligned with key international processes and frameworks:

- The Addis Ababa Action Agenda and the forthcoming FfD4 Conference call for innovative, country-led financing models to bridge the gap between climate ambition and delivery.
- The Global Stocktake (GST) and NDC Synthesis Report underscore the need for adaptation-focused finance in LDCs and SIDS.
- The Champions Group on Adaptation Finance have highlighted the need for more programmatic approaches to delivering adaptation finance.
- At COP29 (2024), ten multilateral development banks (MDBs) released a joint statement signalling their intention to focus more attention on Country Platforms.
- The G20 Sustainable Finance Working Group, the UN Financing for Development process, and the Finance in Common Summit have endorsed Country Platforms as a pathway toward a more coherent, inclusive and scalable climate finance architecture, including by shifting from donor-driven, fragmented finance to nationally owned, programmatic models.
- Vanuatu is co-chair of the Climate and Development Ministerial process, alongside the UK, which has prioritized the operationalisation of programmatic approaches and improved country ownership of climate finance.
- Pacific Climate Finance Access and Mobilisation Strategy (CFAMS)

#### **Gender-Responsive Climate Finance**

Vanuatu fully commits to providing the enabling conditions for and supporting gender-responsive climate finance mechanisms in its own national climate finance architecture, as well as through the use of innovative climate financing tools and modalities. Vanuatu is working to enhance its national finance systems to ensure that climate funds benefit people most affected by climate change and is systematically integrating gender equality and the rights of women and girls into governance structures, project approval processes, implementation protocols, and public participation mechanisms.

Many NAB-endorsed climate programmes have begun to utilise ex ante and ex post gender and human rights impact assessments; undertake regular reporting, with new indicators, on the implementation of gender policies based on quantitative and qualitative indicators; collect genderage and disability-disaggregated data throughout the programme cycle, and actively engage women, girls and gender-diverse persons in participatory monitoring; facilitate the participation of national and subnational groups working on gender equality and climate change and increasingly direct funding to support grass-roots organizations.

### **Annex I Information for Clarity Transparency and Understanding**

Information on Vanuatu's NDC provided in according to guidelines in Decision 4/CMA.1

- Type of NDC: Mitigation, Adaptation, Loss and Damage
- Activity-based targets, sectoral and policy targets across multiple sectors, including emissions reduction in some sub-sectors.

The GHG emission reduction targets in this section are all conditional upon international support (financial and technical support) being made available.

Most of the adaptation and loss and damage targets are fully or partially conditional upon international action and support (finance, capacity and technical) being made available. Information to facilitate clarity, transparency and understanding (ICTU) of the enhanced nationally determined contribution of Vanuatu for the timeframe 2025-2035.

### Table 5: Information for Clarity Transparency and Understanding

1.	Quantified information of	on the reference point, including, as appropriate, a base year
a.	Reference year(s), base year(s), reference period(s) or other starting point(s).	The reference year used in Vanuatu's updated NDC 3.0 is 1994.
b.	Quantifiable information on the reference indicators, their values in the reference year(s), base year(s), reference period(s) or other starting point(s), and, as applicable, in the target year.	As per the Greenhouse Gas Inventory (under Vanuatu's 1st Biennial Transparency Report of 2024), Vanuatu's total greenhouse gas emissions (excluding removals) increased from 62.94 kt CO <sub>2</sub> eq in 1994 to 507.68 kt CO <sub>2</sub> eq in 2023.  The direct GHG emission for the following IPCC sectors is:  • Energy: 154.51 Gg CO2eq  • IPPU: 0 Gg CO2eq  • Transport: 91.49 Gg CO2eq  • AFOLU: 328.40 Gg CO2eq  • Waste: 8.3 Gg CO2eq  • Others: 0 Gg CO2eq.
c.	For strategies, plans and actions referred to in Article 4, paragraph 6, of the Paris Agreement, or policies and measures as components of nationally determined contributions where paragraph 1(b). above is not applicable, Parties to provide other relevant information.	The mitigation policies presented in this NDC will be further developed/enhanced and implemented upon international (technical and financial) support by 2035.  The mitigation, adaptation and loss & damage policy targets derive from the following Policies:

- Fruit and Vegetable Strategy
- Gudfala Kakae Policy
- Health Cluster Strategic Plan
- ICT Policy
- Loss & Damage Policy
- Ministry of Health Policy
- National Biodiversity Strategy and Action Plan
- National Coconut Oil for Fuel Strategy
- National Coconut Strategy
- National Energy Efficiency Strategy and Action Plan
- National Environment Policy
- National Fisheries Sector Policy
- National Forest Policy
- National Gender Equality Policy
- National Invasive Species strategy and Action Plan
- National Kava Strategy
- National Livestock Policy
- National Roadmap for Coastal Fisheries
- National Strategy for the Development of Statistics
- National Sustainable Development Plan
- National Waste Management & Pollution Control Strategy
- National Water Policy
- National Youth Development Policy
- NDC 2.0
- NDC Adaptation Targets
- NDC On-Grid Electricity Investment Strategy
- NSDP M&E Framework
- Overarching Productive Sector Policy
- Public Private Partnerships Policy
- Technology Needs Assessment
- Trade Policy Framework Update
- Trade Policy Framework Update
- Updated Vanuatu National Energy Road Map
- Vanuatu Disability and Inclusive Development Policy
- Vanuatu Education Training Sector Strategic Plan
- Vanuatu Food Safety, Security and Nutrition Policy

 Vanuatu Foreign Policy Vanuatu Framework for Climate Services Vanuatu Fruits and Vegetable Strategy Vanuatu Health Sector Strategy Vanuatu Infrastructure Strategy and Implementation Plan Vanuatu Land Use Planning Policy Vanuatu Low Emissions Development Strategy Vanuatu National Labour Mobility Policy Vanuatu National Security Strategy Vanuatu NCD Policy and Strategic Plan Vanuatu NDC Forest Investment Strategy Vanuatu Ocean Policy 2nd edition Vanuatu Recovery Strategy Vanuatu REDD+ R Package Vanuatu Sustainable Tourism Policy Vanuatu's National Planned Relocation Framework • VMGD Strategic Plan 2024-2029 Target relative to the The quantified mitigation targets presented in this NDC are all conditional, and will be implemented upon international (technical and financial) support by 2035. reference indicator. expressed numerically, for example in Most of the adaptation and loss and damage targets are fully or partially conditional upon international action and percentage or amount of support (finance, capacity and technical) being made available. In some cases, adaptation and loss and damage numerical targets are expressed in the commitments highlighted above. reduction. **Energy Sector: Target Indicator** 2010 2025 Renewable Energy Generation Grid Connected (%) 11.69% 50% Improve transport (land and marine) energy efficiency Improve biomass end use (cooking and drying) efficiency

Electric Vehicles – e-buses

2035

100%

10%

14% 10% of public

transport buses

	Electric Vehicles – e-Cars	10% of government fleet		
	Electric Vehicles – 2/3 wheelers	-	-	1000 No.
	Bio-diesel (bio fuel) blending in diesel	-	-	20%
	Renewable electricity use by rural tourism bungalows	-	-	65%
	Energy Efficiency in Commercial and Residential Sector	-	-	5%
	Energy Efficient Building (Green Building)	-	-	10 No
	Waste Sector:			
	Target Indicator	2010	2025	2035
	Waste to Energy Plant	-	-	3
	Composting Plant	-	-	1
	Public and Communal Toilet Facilities including Bio-Toilets	-	-	1000
e. Information on sources of data used in quantifying the reference point(s).	The key data references and documents assessed include, but a  Vanuatu's first Nationally Determined Contributions (NDC)  Vanuatu Biennial Update Report BTR of 2024  National Sustainable Development Plan: 2016-2030 (NSD)  Climate Change and Disaster Risk Reduction (CCDRR) Polymenter Change Active Meteorology, Geological Hazards and Climate Change Active National Energy Roadmap (NERM): 2016- 2030 and NER NDC implementation roadmap;  National Communications (NC-1,2 and 3);  Utilities Regulatory Authority (URA) Reports  Data and information provided by the Government of Vanual Private Sector and, Stakeholder consultation including NG Development Partners  International experts' consultation	; P or Vanuatu 2030: blicy; t No.25 of 2016; M-Implementation Plate line ministries ar	lan;	·

f. 2.	<ul> <li>circumstances under which the Party may update the values of the reference indicators.</li> <li>Additional technical analysis in Biennial Update Reports, National Communications, and as the economic non-economic impacts of climate disasters and slow onset events become better understood.</li> <li>Lack of climate finance, capacity or technical support from developed country parties and other international survival.</li> <li>Sector adaptation/Loss and Damage policies and targets are reviewed and amended.</li> <li>Some of the mitigation actions are part of the NERM implementation plan and subject to international survival (technical and financial); in the delay or absence of support.</li> <li>In the next greenhouse gas inventory, Vanuatu may update the reference indicators of existing sectors and provide new values for sectors that were not previously covered.</li> <li>Vanuatu is prone to and highly vulnerable to the effects of natural disasters (tsunami, cyclones, earthqua volcano eruptions, etc.), in the case of any major natural disaster or pandemic situation similar to COVID Vanuatu may update/change the reference point.</li> <li>Vanuatu is in a transition phase after graduation from the least developed country (LDC) category; hence major change in economic and social environment may lead to updates or change the values of the reference indicators.</li> </ul>	
a.	Time frame and/or period for implementation, including start and end date, consistent with any further relevant decision adopted by the CMA.	Several targets are a continuation and expansion of efforts listed in the first and second NDCs. Vanuatu has already begun to implement these targets.  The new mitigation adaptation and loss and damage target time frame is from 1st October 2025- 31st December 2035.
b.	Whether it is a single- year or multi-year target, as applicable.	Single-year target 2035, including updates in 2030.  (The NDC interventions will be implemented in phases as per annual work plans; however, the target final year is 2035).
3.	Scope and coverage	

a.	General description of the target.	Vanuatu enhanced and revised NDC presents sectoral activity-based and policy targets on adaptation, loss and damage and mitigation, including emissions reduction in some sectors.
		The Government of Vanuatu will meet conditional targets upon receiving international action and support including financing, technology transfer and/or capacity building.
b.	Sectors, gases, categories and pools covered by the nationally determined contribution, as applicable, consistent with IPCC guidelines.	The IPCC Sectors, Sub-sector and Gases applicable for Vanuatu:  (1) Energy

		<ul> <li>Oceans</li> <li>Disability</li> <li>Water</li> <li>Health</li> <li>Waste</li> <li>Gender</li> <li>Youth</li> <li>Finance</li> <li>Fisheries</li> <li>Indigenous</li> <li>Decentralisation</li> <li>Governance</li> <li>Infrastructure</li> <li>Collaboration</li> <li>Meteorology</li> <li>Biosecurity</li> <li>Livestock</li> <li>Human Rights</li> <li>Policy</li> <li>ICT</li> <li>Trade</li> </ul>
C.	How the Party has taken into consideration paragraphs 31(c) and (d) of decision 1/CP.21.	As per paragraph 31(c) of decision 1/CP.21, Vanuatu is not including all IPCC sectors, sub-sectors and categories. Regardless, Vanuatu's NDC target constitutes the highest possible ambition, in the context of our national analyses of mitigation potential.  According to national circumstances that Vanuatu is a small-island state, with limited technical, financial and skilled resources to collect data, process and analyse data, Vanuatu has decided that at this time, other sources and sinks of emissions (most of negligible relevance for Vanuatu) would not be included in this updated NDC.  Note that all key categories and gases identified as relevant for Vanuatu have been included in the NDC. Furthermore, Vanuatu is willing to include other remaining categories of anthropogenic emissions or removals (as may become applicable) in its future nationally determined contributions.  Vanuatu aims to extend the scope of the coverage of its NDC over time to all categories of anthropogenic emissions and removal, as more robust data, finance, technical support and capacity becomes available. This

approach is in line with the principle of "common but differentiated responsibilities and respective capabilities, in the light of different national circumstances."

Vanuatu plans to demonstrate leadership among developing countries by continuing to enhance its mitigation efforts and to move towards economy-wide emissions limitation or reduction targets over time.

In keeping with Article 2 of the UNFCCC, Vanuatu demands that emission stabilisation should be achieved globally, and domestically by all countries within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner.

d. Mitigation co-benefits resulting from Parties' adaptation actions and/or economic diversification plans, including description of specific projects, measures and initiatives of Parties' adaptation actions and/or economic diversification plans.

The majority of Vanuatu's adaptation and loss and damage commitments contain mitigation co-benefits. In many cases (for example in infrastructure, forestry and waste adaptation targets), it is difficult to classify a target as primarily adaptation or purely mitigation.

Some of the co-benefits expected for specific activities are as follows:

- Carbon sequestration by developing and implementing better practices in agricultural, livestock and forestry production;
- Climate proofing buildings and infrastructure often involves using more fossil fuel efficient designs and lowering emissions profiles
- Reduced emissions from implementing fuel efficient technologies for aquaculture and fishing operations;
- Reduced emissions from wastewater management and introduction of renewable energy technologies in the Water sector;
- Reduced emissions from implementing resilient ecosystem and environmental activities to better manage the available ecosystem services and resources.

The mitigation co-benefits of adaptation actions contained within this NDC were not quantitatively evaluated due to a lack of quality data and technical resources. However, Vanuatu will soon begin efforts to develop its NAP, including a Monitoring and Evaluation Plan which will focus on tracking the implementation of the cross-sectoral measures with mitigation co-benefits. This tool will monitor and evaluate adaptation, and to some extent, mitigation actions on climate change implemented in Vanuatu and include new or additional information as part of the NAP iterative process.

		The mitigation co-benefits from forest sector interventions cannot be included at this point due to ongoing negotiations on Article 6 of the Paris Agreement, in conjunction with Vanuatu's rollout of a national REDD+ programme.
4.	Planning Process	
a.	Information on the planning including, as appropriate	ing processes that the Party undertook to prepare its NDC and, if available, on the Party's implementation plans, :
	i. Domestic institutional arrangements, public participation and engagement with local communities and indigenous peoples, in a gender-responsive manner.	The Republic of Vanuatu's NDC has been developed based on extensive consultations, one on one discussions and public dialogues undertaken throughout 2025, led by the Ministry of Climate Change with the support of the Pacific regional NDC hub and the Global Green Growth Institute, with the primary purpose of making it more ambitious by including sector-led adaptation and loss and damage commitments.  The NDC enhancement process was led by a core group made up of the Director of the Department of Energy (DoE), the Director of the Department of Climate Change (DoCC) and technical officers from the Ministry of Climate Change Adaptation, Meteorology, GeoHazards Energy, Environment and Disaster Management (MoCC).  The comprehensive mitigation, adaptation and loss and damage target enhancement process involved stakeholders from the Departments of Climate Change, Environment, Energy, Environment, Water, Meteorology/Geohazards, Strategic Policy Planning/Aid Coordination, Local Authorities, Finance, Agriculture, Livestock, Forestry, Fisheries, Biosecurity, Foreign Affairs, Public Works, Women's Affairs, State Law, Disaster Management, Education, Tourism and Statistics. In addition, the following representatives from private sector and non-government organizations provided expert guidance and input: Vanuatu Climate Action Network, Vanuatu Association of NGOs, Vanuatu Climate Adaptation Project, Save the Children, Live and Learn, Global Green Growth Institute, UK High Commission, Vanuatu Business Resilience Council, UN Development Programme, UNICEF, Secretariat of the Pacific Regional Environment Programme, the Pacific Community, German Agency for International Cooperation, UN Food and Agriculture Organisation, International Union for the Conservation of Nature and the Pacific NDC Hub.  Gender equality and the inclusion of women, youth, people with disabilities, and other vulnerable groups was an integral part of the NDC enhancement process. A gender expert within the Department of Climate Change Team

reviewed the gender-responsive considerations in the enhanced NDC. In addition, a gender analysis was commissioned by the Pacific NDC Hub and provided recommendations on the gender-sensitive implementation of this revised and enhanced NDC.

The enhanced NDC actions/measures comply with key issues and requirements of gender sensitive design as per the national policies and 'Gender Analysis and Nationally Determined Contributions (NDCs)' guidance. None of the enhanced NDC actions are expected to impact negatively on gender equality and women's rights, or limit women's access to and control over natural resources and the goods and services covered under the enhanced NDC.

Furthermore, all targets and commitments align with the requirements under NSDP, CCDRR Policy and NERM. These policies extensively promote gender responsive, youth-specific needs and roles on green employment, awareness and capacity building.

The enhanced NDC actions/measure will contribute positively on gender, youth and other vulnerable groupspecific needs and will provide these demographics the opportunity to play a more active role in design and implementation.

All targets have undergone scrutiny by experts and leaders through a series of internal and external consultations carried out during the NDC enhancement process and several national level public consultations to receive the comments and feedback.

Further, the enhanced/revised NDC has been endorsed by the Vanuatu's National Advisory Board on Climate Change and Disaster Risk reduction (NAB - the supreme policy making and advisory body for all disaster risk reduction and climate change programmes, projects, initiatives and activities in Vanuatu) and Council of Ministers (CoM), Government of Vanuatu.

ii. Contextual matters, including, inter alia, as appropriate:

a(ii)a National circumstances, such as geography, climate, economy, sustainable development and poverty eradication.

Geography: The Republic of Vanuatu is an island nation located in the Western Pacific Ocean. Vanuatu is an archipelago of over 80 islands stretching 1,300 kilometres from North to South in the Western Pacific Ocean. Vanuatu is located between latitude 12° to 23° South and longitude 166° to 173° East.

Vanuatu's terrain is mostly mountainous, with narrow coastal plains with a total land area of 12,336 km2 and a maritime exclusive economic zone of 680,000 km2. Almost 74% of the land area in Vanuatu is covered by natural vegetation, with around one third covered by forest; which is more than 36.1% (440,000 hectares covered by tropical forest).

The largest island is Espiritu Santo, while the island of Efate is home to the capital, Port Vila and the central Vanuatu Government. From largest to smallest, the islands are Espiritu Santo, Malekula, Efate, Erromango, Ambrym, Tanna, Pentecost, Epi, Ambae or Aoba, Vanua Lava, Gaua, Maewo, Malo, and Anatom or Aneityum. The two largest islands, Espiritu Santo and Malekula, comprise nearly 50% of the total land mass. Larger islands are characterised by rugged volcanic peaks and tropical rainforests. The highest peak, Mount Tabwemasana on Espiritu Santo, is 1877m above mean sea level and the total coastline is about 2,528 km long.

Vanuatu is geographically located in the "ring of fire" and the "cyclone belt" of the Pacific. The island nation is located in a seismically and volcanically active region and has high exposure to geologic hazards, including volcanic eruptions, earthquakes, tsunamis and landslides. Almost 81% of its landmass and 76% of its population is exposed to two or more potential hazards including volcanic eruptions, cyclones, earthquakes, droughts, tsunamis, storm surges, coastal and river flooding and landslides.

Climate: Vanuatu is situated in a tropical maritime climate with characteristic uniform temperature, high humidity and variable rainfall. The tropical climate is moderated by southeast trade winds that occur from May to October. There are two main seasons, hot and wet from November to April, and cool and dry from May to October. Being an equatorial country, Vanuatu has relatively uniform temperature throughout the year with daily temperature ranging from 20°C to 30°C. Temperatures in the warmest months (January-February) are about 4°C higher than those in the coolest months (July-August).

Population: According to the most recent National Population and Housing Census undertaken in 2020, Vanuatu's population was reported to be 300,019 compared to 234,023 in the 2009 census. Vanuatu's population is largely based within rural areas – 76% as per the 2020 census.

Economy: Vanuatu is traditionally known for its strong cultural heritage, traditional activities and subsistence farming. The four mainstays of Vanuatu's economy are agriculture, tourism, offshore financial services, and raising

cattle. Exports include copra, kava, beef, cocoa, and timber, and imports include machinery and equipment, foodstuffs, and fuel.

Growth decelerated to 1% in 2023 as the country was hit by two severe cyclones in March and October. Government expenditure fell 8% in 2023 compared with the previous year. Economic growth slowed in 2024 as Air Vanuatu ceased operations affecting trade, transportation, and tourism. Political instability impacted public services, while an earthquake devastated the capital in December. Nonetheless, the economy grew 1.7% in 2024 driven largely by the recovery of agriculture from the cyclones in 2023.

With no income tax revenues, the Government has maintained budget flows through its citizenship by investment programmes. Overall, the economy has been relatively stagnated requiring extensive government subsidies and private sector support programmes.

a(ii)b Best practices and experience related to the preparation of the NDC.

In addition to the planning process discussed in section 4 (a) (i). The Government of Vanuatu has taken a one-of-a-kind initiative to identify the circular economy options for Vanuatu and constituted the metabolic analysis of its economy and economic sectors.

A metabolic assessment has been conducted to define a resource efficient and low-carbon future for Vanuatu. The metabolic assessment observed that the average material use and per capita GHG emissions in Vanuatu is low in comparison to the global average. The existing consumption-based resource footprint of Vanuatu is 58%, which is already relatively circular, meaning that 58% of the materials used in the country is relying on secondary or renewable materials and energy sources.

The remaining 42% of material use is not circular and can be characterised as following a linear 'take-make-waste' trajectory. These 42% of materials are mostly of foreign origin and undermine the development ambitions of the country since they create issues with waste disposal and the deterioration of natural assets as a result of the pollution of soils, surface waters and marine environments. The circular economy analysis identified some of the opportunities which contribute to the domestic and transboundary (international) GHG emission reductions. Some of the key circular economy actions (CE strategies) identified by the metabolic assessment have been included in Vanuatu's enhanced NDC.

Furthermore, the Government of Vanuatu has also developed and implemented an Integrated Monitoring, Reporting and Verification (MRV) Tool for the Energy Sector (currently being enhanced to cover additional mitigation sectors according to the updated NDC) and a Monitoring, Reporting Verification Tool for NERM 2016-2030. Vanuatu's integrated MRV Tool is a first of Its kind initiative to integrate most of the domestic and international climate action monitoring, tracking and reporting requirements. Further, it supports government agencies, development partners, and NGOs towards evidence-based decisions and data insights reporting.

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		Vanuatu's integrated MRV Tool has been customised to track, monitor and report data critical for climate actions and sustainable development goals.
		One of Vanuatu's most advanced and transformative best practices is the establishment of the National Advisory Board on Climate Change and Disaster Risk Reduction which achieves two goals: 1) the merging of resources to address both climate and non-climate disasters into a single institutional framework and 2) providing a single entry point for climate change policy and governance which embodies a range of ministries, sectors and stakeholders. This enhanced and revised NDC would not have been able to include both adaptation and loss and damage without such an integrated and comprehensive institutional structure.
		Another important best practice employed in the development of this NDC is the full reliance and decentralisation of climate action to sectors. Sector agencies and stakeholders know best the ambitions and realities of action and have already codified these into their endorsed and gazetted policies, plans and strategies. Thus, this NDC uses the outstanding work being planned and actioned, without duplicating work or causing consultation fatigue.
		<ul> <li>The following are additional best practices that have been identified during the preparation of Vanuatu's NDC:</li> <li>A key component of Vanuatu's NDC is that it was built upon existing processes, data collection, policies, initiatives, and commitments. In doing so, Vanuatu was able to take advantage of updated inventories, robust data and crosscutting expertise.</li> </ul>
		<ul> <li>Capitalising on the synergies and timing of the different processes, Vanuatu increased collaboration across Implementing Partners and reduced the need to conduct separate stakeholder consultations on similar issues, therefore reducing stakeholder fatigue. It is essential for Implementing Partners to work together in a seamless manner.</li> <li>The engagement of stakeholders from public sector, private sector, academia and civil society was key to</li> </ul>
		ensuring the interest and buy-in to the NDC process and revised targets.
a(ii)c	a(ii)c Other contextual aspirations and priorities acknowledged when joining the Paris Agreement.	The Government of Republic of Vanuatu is fully committed to effective, and transparent implementation of the Paris Agreement (PA), and supports its aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty, and also limit global average temperature rise to 1.5°C; which poses lower risks for Vanuatu in comparison to 2°C or higher temperatures.
	, Agroomont.	The Government of Vanuatu's commitment is reflected in its declaration:  "WHEREAS the Government of the Republic of Vanuatu declares its understanding that ratification of the Paris Agreement shall in no way constitute a renunciation of any rights under any other laws, including international law, and the communication depositing the Republic's instrument of ratification shall include a declaration to this effect for international record;

	FURTHERMORE, the Government of the Republic of Vanuatu declares that, in light of best scientific information and assessment on climate change and its impacts, it considers the emission reduction obligations in Article 3 of the Kyoto Protocol, the Doha Amendment and the aforesaid Paris Agreement to be inadequate to prevent global temperature increase of 1.5 degrees Celsius above pre-Industrial levels and as a consequence, will have severe implications for our national interests"
b. Specific information applicable to Parties, including regional economic integration organisations and their member States, that have reached an agreement to act jointly under Article 4, paragraph 2, of the Paris Agreement, including the Parties that agreed to act jointly and the terms of the agreement, in accordance with Article 4, paragraphs 16–18, of the Paris Agreement.	Vanuatu is not part of an agreement to act jointly under Article 4 of the Paris Agreement.
of its NDC has been informed by the outcomes of the global stock take, in accordance with Article 4, paragraph 9, of the Paris Agreement.	As a responsible party of the Paris Agreement, the Government of Vanuatu complied with the decisions under the PA and actively participated in the first global stock take in 2023.  Furthermore, Vanuatu's enhanced NDC 3.0 for 2025-2035 is more ambitious than its previous one, both in terms of its sectoral coverage and in terms of its net emission reduction contribution as well.  Importantly, Vanuatu's enhanced and revised NDC includes substantially more mitigation, adaptation and loss and damage contributions and targets.  Vanuatu calls on all Parties to increase ambition in line with the best available and most recent science and

i. How the economic and social consequences of response measures have been considered in developing the NDC.

The effects on vulnerability, resilience, economic transformation and standards of living were considered in developing the updated NDC.

The majority of households in Vanuatu are located in remote locations with no on-grid electricity access, in fact, most households already rely on renewable energy to meet their basic lighting and cooking needs. Thus there will be minimal consequences for the people of Vanuatu as the nation enables the transition of economies and societies away from fossil fuels and towards a low-carbon future. Rather, the implementation of mitigation policies, programmes and actions "in-jurisdiction" are widely expected to bring adaptation and resilience co-benefits.

Specific projects. ii. measures and activities to be implemented to contribute to mitigation co-benefits, including information on adaptation plans that also yield mitigation co-benefits, which may cover, but are not limited to, key sectors, such as energy, resources, water resources, coastal resources, human settlements and urban planning, agriculture and forestry; and economic diversification actions, which may cover, but are not limited to, sectors such as manufacturing and industry, energy and mining, transport and communication, construction, tourism, real estate, agriculture and fisheries.

There are multiple projects and project concepts currently underway and already approved by the National Advisory Board on Climate Change and Disaster Risk Reduction which are expected to have mitigation co-benefits from adaptation and loss and damage actions. For example:

- Climate Information Services for Resilient Development in Vanuatu (Van-KIRAP)- including adaptation activities around climate start agriculture, expanded use of renewable energy, climate smart tourism and other adaptation-mitigation initiatives.
- Adaptation to Climate Change in the Coastal Zone in Vanuatu Project (VCAP2) includes climate smart
  infrastructure as well as ecosystem-based adaptation (protected forest areas) and other adaptationmitigation initiatives.
- Blue Carbon Project will focus on protecting and enhancing management of coastal habitats including coral reefs and mangroves and other adaptation-mitigation initiatives.

As mentioned in 3(d) above, Vanuatu is still in the process of developing additional programming for other priority sectors for adaptation and loss and damage. As the development of the NAP is a continuous and ongoing process, these might, in the future, include projects with mitigation co-benefits on adaptation actions; however, they are not mentioned here as the specific projects could change or additional projects added to the current project portfolios.

5. Assumptions and methodological approaches, including those for estimating and accounting for anthropogenic greenhouse gas emissions and, as appropriate, removals:

a. Assumptions and methodological approaches used for accounting for anthropogenic greenhouse gas emissions and removals corresponding to the Party's nationally determined contribution, consistent with decision 1/CP.21, paragraph 31, and accounting guidance adopted by the CMA.	Vanuatu accounts for its anthropogenic GHG emissions and removals using the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories).  Two additional guidelines will be considered for quality assurance: the IPCC Good Practice Guidance and Uncertainty Management in National GHG Inventory (2000) and the IPCC Good Practice Guideline for Land Use, Land-Use Change, and Forestry (2003).
b. Assumptions and methodological approaches used for accounting for the implementation of policies and measures or strategies in the nationally determined contribution.	As discussed above, Vanuatu will also apply specific assumptions and methodologies where relevant when accounting for various policies and measures in its Biennial Update Report, Biennial Transparency Report, or National Communications.
c. If applicable, information on how the Party will take into account existing methods and guidance under the Convention to account for anthropogenic emissions and removals, in accordance with Article 4, paragraph 14, of the Paris Agreement, as appropriate.	As discussed above, the IPCC 2006 Guidelines have been used to calculate emissions in the GHG Inventory for National Communication and NDC.
d. IPCC methodologies and metrics used for estimating anthropogenic greenhouse gas emissions and removals.	Further to above discussion, the preparation of national GHG inventories for Vanuatu, uses both Tier1 and Tier2 methodologies (as appropriate) of 2006 IPCC guidelines.
e. Sector-, category- or activity-sapplicable:	specific assumptions, methodologies and approaches consistent with IPCC guidance, as appropriate, including, as

i. Approach to addressing emissions and subsequent removals from natural disturbances on managed lands.	As discussed in the above sections, all the categories are not applicable for Vanuatu.  Furthermore, due to data availability and capacity limitations, not all the sectors are covered in Vanuatu's NDC.  However, in the future, Vanuatu would like to update its emission inventories and will cover all the applicable sectors following the 2006 IPCC guidelines.
ii. Approach used to account for emissions and removals from harvested wood products.	Not applicable.
iii. Approach used to address the effects of ageclass structure in forests.	Not applicable.
f. Other assumptions and method corresponding emissions and re	odological approaches used for understanding the nationally determined contribution and, if applicable, estimating emovals, including:
i. How the reference indicators, baseline(s) and/or reference level(s), including, where applicable, sector-, category- or activity-specific reference levels, are constructed, including, for example, key parameters, assumptions, definitions, methodologies, data sources and models used.	Not applicable. Please see Section 5(a-e) for assumptions and methodologies used.
ii. For Parties with nationally determined contributions that contain non greenhouse-gas components, information on assumptions and	Not applicable.

methodological approaches used in relation to those components, as applicable.		
iii. For climate forces included in nationally determined contributions not covered by IPCC guidelines, information on how the climate forces are estimated.	Not applicable.	
iv. Further technical information, as necessary.	Not applicable.	
g. The intention to use voluntary cooperation under Article 6 of the Paris Agreement, if applicable.	Vanuatu will explore opportunities for climate resilient socio-economic development with international cooperation and support including carbon market under Article 6.	
	Vanuatu's Carbon Cooperation Framework was endorsed by the National Advisory Board on Climate Change & Disaster Risk Reduction in 2024, and approved by the Council of Ministers in May 2025.	
	Vanuatu has signed its first Article 6.2 carbon cooperation agreement with the Government of Switzerland on 8th of May, 2023, with a focus on the Electrification of Vanuatu's Inhabited Islands Through Solar Power Internationally Transferred Mitigation Outcomes (ITMO) program, which is implemented by the National Green Energy Fund (NGEF).	
	For this solar electrification project, ITMO revenues will allow the NGEF to provide subsidized equipment to enhance the affordability by its customers namely public constitutions, businesses and households to connect following the 100% access policy of the updated National Energy Road Map for Vanuatu of which the NGEF is a key instrument.	
	Vanuatu is in the process of implementing a national REDD+ programme and a Blue Carbon Ecosystem initiative	
6. How the Party considers that its NDC is fair and ambitious in light of its national circumstances		

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a. How the Party considers that its NDC is fair and ambitious in the light of its national circumstances;	The Government of Vanuatu is steadfast in its conviction that global mitigation efforts should focus on stabilising global GHG emissions at levels that will limit increases in global average temperatures to well below 1.5°C above preindustrial levels.
	Vanuatu is a small island developing country that has an insignificant contribution to global GHG emissions, historically its GHG emissions have been very low: Vanuatu's total CO2equivalent emissions was approximately 0.0011% of the Global GHG emissions for 2015.
	Vanuatu has taken an ambitious target of transitioning to close to 100% renewable energy in the electricity sector by 2035. With this enhanced NDC, Vanuatu is planning to further reduce its national GHG emissions by 2035. Vanuatu's adaptation and loss and damage targets are some of the most ambitious and comprehensive in the world, highlighting the priority of these two pillars of the Paris Agreement to Vanuatu. Thus, this NDC, and the accompanying information, reflects Vanuatu's commitment under the Paris Agreement to address climate change. Vanuatu's NDC target constitutes the highest possible ambition, in the context of our national analyses of mitigation potential.
	Vanuatu plans to demonstrate leadership among developing countries by continuing to enhance our mitigation efforts and to move towards economy-wide emissions limitation or reduction targets over time.
b. Fairness considerations, including reflecting on equity.	Vanuatu aims to extend the scope of the coverage of its NDC over time to all categories of anthropogenic emissions and removal, as more robust data, finance, technical support and capacity becomes available. This approach is in line with the principle of "common but differentiated responsibilities and respective capabilities, in the light of different national circumstances."
	In keeping with Article 2 of the UNFCCC, Vanuatu demands that emission stabilisation should be achieved globally, and domestically by all countries within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner.
c. How the Party has addressed Article 4, paragraph 3, of the Paris Agreement.	Vanuatu's updated NDC represents a significant enhancement of its first and second NDCs. Vanuatu's enhanced NDC 3.0 builds on the ambition of its first NDCs, both in terms of its sectoral coverage and in terms of its net emission reduction contribution as well.
	Most significantly, this NDC 3.0 now includes a range of new adaptation and loss and damage commitments and targets which set us up for a more resilience future.

d. How the Party has addressed Article 4, paragraph 4, of the Paris Agreement.	The ambition of this target must be considered against the background of the country's small, open economy and limitations in natural, financial, technological and human resources to implement the measures necessary to achieve the intended emissions reductions.
	It must also be noted that the value of Vanuatu's forest cover as a carbon sink is recognised, despite the fact that these values are not included in the projections.
	In addition to the sectoral activity-based targets for electricity generation, transport energy efficiency, other livestock, and waste sector, this NDC also includes additional policy targets for sectors where data and/or baseline information is not available such as for livestock, solid waste and wastewater management. This paves way for Vanuatu to establish economy-wide emissions target, based on national circumstances and capabilities.
e. How the Party has addressed Article 4, paragraph	Vanuatu, as a SIDS and considering Article 4, paragraph 6, has the option to prepare and communicate strategies, plans and actions reflecting its special circumstances.
6, of the Paris Agreement.	In light of Vanuatu's commitment to limiting increases in global average temperatures to well below 1.5°C above pre-industrial levels, it has submitted quantifiable targets as outlined in 1(b) above.
	As Vanuatu's NDC now covers adaptation, loss and damage as well as mitigation, its plans and actions addressing adaptation and the possible limits to adaptation that may result in loss and damage, are outlined by Vanuatu 's various submissions to the UNFCCC.
	In addition to the sectoral activity-based mitigation targets Vanuatu's enhanced NDC also includes policy targets (See section 1(d)) for areas where data and/or baseline information is not available. These mitigation areas include livestock and waste management.
7. How the NDC contributes to	owards achieving the objectives of the Convention as set out in its Article 2
a. How the NDC contributes towards achieving the objective of the Convention as set out in its Article 2.	See 6(a) above.
	Vanuatu feels that Article 2 of the convention is closely linked to Article 8 of the Paris Agreement on the importance of averting, minimising and addressing loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events, and the role of sustainable development in reducing the risk of loss and damage.

	Sadly, Vanuatu has reached the limits of adaptation in many instances, with climate change already causing loss and damage as exemplified in Article 2, disenabling ecosystems to adapt naturally to climate change, witnessing threats to food security, and observing devastation to economic development.  In this context, Vanuatu's enhanced and revised NDC makes every effort to more comprehensively to undertake adaptation action, while at the same time, calling for increased support to address loss and damage. All three Pillars of the Paris Agreement are critical, and equally addressed in this NDC.
b. How the NDC contributes towards Article 2, paragraph 1(a), and Article 4, paragraph 1, of the Paris Agreement.	See 6(a) above. Vanuatu is planning to work on a long-term strategy to decarbonise the economy in line with Article 2 paragraph 1(a) and Article 4 paragraph 1.