

Niue

Overview:

Niue, located in the South Pacific Ocean, is a self-governing jurisdiction in free association with New Zealand since 1974. Niue's remoteness, as well as cultural and linguistic differences between its Polynesian inhabitants and those of the rest of the Cook Islands, have caused it to be separately administered.

Territory:

One Island. Territory consists mostly of steep limestone cliffs that border coast and a central plateau. Land total: 260 sq km. Water 0 sq km. Coastline: 64 km. Highest Elevation: unnamed location near Mutalau settlement, 68m.

Location:

Located in Oceania, in the South Pacific Ocean, 2,400 km north-east of New Zealand in a triangle between Tonga, Samoa and the Cook Islands. About 120 km east of the International dateline

Latitude and Longitude:

169.55 W and 19.02 S

Time Zone:

GMT -11

Total Land Area:

260

EEZ:

390000

Climate:

Tropical, modified by southeast trade winds from April to November. Typhoons are listed as natural hazard. Average temperatures from December to March are 27 degrees Celsius. April through to November has an average temperature of 24 degrees Celsius. The average annual rainfall is 2,000 mm. Cyclone season is January-March.

Natural Resources:

fish, arable land

ECONOMY:

Total GDP:	
1997	9,300,000.00 USD
1998	7,600,000.00 USD
1999	9,094,000.00 USD
2000	7,748,000.00 USD
2001	6,772,000.00 USD
2002	7,898,000.00 USD
2003	10,300,000.00 USD

Per Capita GDP:	
1999	4,600.00 USD
2000	4,075.00 USD
2001	3,647.00 USD
2002	4,570.00 USD
2003	6,200.00 USD

% of GDP per Sector:			
	Primary	Secondary	Tertiary
2003	24%	0%	76%

% of Population Employed by Sector			
	Primary	Secondary	Tertiary
2003	11.6%	17.8%	70.6%

External Aid/Remittances:

\$2.6 million from New Zealand (2002)

Growth:

Real growth rate: -0.3% (2000 est.);

Inflation rate: 1% (1995) (Consumer prices).

Niue Integrated Strategic Plan 'Halavaka Ke He Monuina':

The goals within the Niue Integrated Strategic Plan 1999-2003 are:

Fully develop sovereignty-based assets and/or opportunities within a framework consistent with international guidelines.

Develop and maintain an infrastructure sufficient to support private sector development.

Develop or hire appropriate human resources to support private sector development.

Develop opportunities for economic assistance ensuing from Niue's growing international personality.

Attract sufficient capital to finance the growth and operation of the private sector.

Develop a streamlined, efficient government sector that fulfils an efficient support role for both the public and private sectors.

Attract sufficient numbers of residents and visitors to guarantee a viable population on Niue.

Preserve the environment and biological diversity so that they may continue to support both the resident population and the private sector in the long term.

Conserve and respect the unique culture and social values of Niue.

Establish a Trust Fund.

The Government has made a partnership with the private sector and delegated responsibility of an allocation of \$1 m from the initial \$5 m New Zealand cyclone recovery funds to assist private sector rebuilding and recovery. The Private Sector Task Force is a body chosen by the private sector to allocate the \$1 million to damaged businesses. A further \$300,000 has also been allocated to the Niue Development Bank for private sector use.

Niue Trust Fund: Started in 2004 with contributions of \$5m NZD and \$4m AUD from the New Zealand and Australian governments respectively plus \$50,000 from the government of Niue.

Investment Partnerships: Niue has formed business partnerships with New Zealand Company Reef Group in two primary industries. The Government is actively seeking more investment partners especially in the area of tourism.

Niue's Department of Agriculture, Forests and Fisheries [DAFF] Economic Development Programme Objectives: UN DFO funds totalling US\$173,000 will focus on irrigation and removal and processing of fallen trees. The Objectives are linked to the Niue Integrated Strategic Plan.

'Whole of Government Review': Niue launched a governmental review in 2004. This governmental Review is designed to address the management of government expenditures and deficits, including appropriate government structures. It will also address revenue and capital investment requirements.

Labour Force:	
1981	1,000
1992	450
2001	1,208

Unemployment	
Year:	Unemployment Rate (% of pop.)
1997	5.2%
2001	2.8%

Industry:

Tourism, handicrafts, food processing. Agriculture products: coconuts, passion fruit, honey, limes, taro, yams, cassava (tapioca), sweet potatoes; pigs, poultry, beef cattle. Philately, pandanus handicrafts, fruit processing.

The population of the island continues to drop (from a peak of 5,200 in 1966 to about 2,100 in 2004), with substantial emigration to New Zealand, 2,400 km to the southwest. Government expenditures in Niue often exceed revenues and the shortfall is made up by critically needed grants from New Zealand. These grants are used to pay wages to public employees which Niue has recently reduced by almost half.

A shortage of managerial and entrepreneurial experience is exacerbated by a continual decline in the Island's population. There is no manufacturing on Niue. The tertiary sector consists of a number of retail outlets, hire firms (mainly cars and bicycles) and accommodation facilities. Tourism is considered to be a priority for economic development. The agricultural sector is not prominent as most production is subsistence gardening although some cash crops are grown for export.

The main industry is small factories which process honey, lime oil, coconut cream, and passion fruit. The sale of postage stamps to foreign collectors is an important source of revenue. The main economic promotions of recent have been tourism and a financial services industry, although Premier Lakatani announced in February of 2002 that Niue will shut down the offshore banking industry.

Reef Shipping Limited: "Reef in Every Pacific Port" with an office in Niue, is a major refrigerated container company. Reef Group also has two subsidiaries called Niue Noni Joint Venture LTD. and Vaiea Farm. Together these companies grow a range of horticultural products and manufacture them under Pure Pacifica brand name.

Niche Industry:

Taro, a root vegetable popular in the region, postage stamps and .nu internet domain name.

The .nu issue: The government of Niue is seeking a fair return from their domain name managers, IUSN, for the alleged millions they earn from this Niue taoga, on an annual basis. There was a Memorandum of Understanding signed in 1999, however the government argues it does not apply as it does not designate a fair share of the domain name registration profits. The domain is particularly popular in Sweden, Belgium and the Netherlands, since nu means "now" in Swedish and Dutch.

Tourism:

Niue's tourism is based on its unique reef pools, caves, diving and fishing. It promotes itself as "one of the largest raised coral atolls in the world". Niue features mainly cultural events such as Peniamina Day, which falls on the Monday during the Constitution Celebrations and marks the occasion of the landing of Peniamina on Niue and the birth of Christianity on the Island.

As well the first part of January is dedicated to Prayer week. During that week, they also feature the annual 'Takai' meaning 'going around'. Each village organizes a mass 'drive by' - a social event, not a race.



Imports and Exports:	
External Budget: revenues: \$5.5 million; expenditures: \$6.3 million (1985 est.).	
Exports: NZ\$0.124 million for year ended December 2002.	
Partners: New Zealand (main)(59%); Fiji (20%), Japan (13%),Cook Islands, Australia (2000).	
Commodities: canned coconut cream; copra; honey; passion fruit products; pawpaws; root crops; limes; footballs; stamps; handicrafts.	
Imports: NZ\$3.245 million for year ended December 2002.	
Partners: New Zealand (main); Fiji, Japan, Samoa, Australia, US (2000).	
Commodities: food, live animals, manufactured goods, machinery, fuels, lubricants, chemicals, drugs.	
Debt - external: \$418,000 (2002 est.).	
Tot. Value of Imports	0.00 NZD ()
From Eu:	
Import Partners (EU:)	
Partners Outside EU:	
Import Partners:	
Tot. Value of Exports	()
To Eu:	
Export Partners:	
Partners Outside EU::	
Export Partners:	
Main Imports:	
Main Exports:	

TRANSPORTATION/ACCESS

External:

Number of Airports: 1

Number of Main Ports: 0

Sea: There are no ports or harbors, only offshore anchorage. Reef Shipping provides a service to and from New Zealand every 4 to 6 weeks. (Note: While there is no confirmation of an actual port, the government of New Zealand lists a port as one of the government of Niue's holdings.)

Internal:

Air

Air: Niue has one airport, Hanan International Airport (IUE) that is 7km (4 miles) north of Alofi.

Road:

Land: There is no public transportation. Tour buses and taxis are available from the airport to all tourist destinations. There is one taxi company, and two rental companies offering cars, vans, buses, motorbikes, and mountain bikes. There is 234 km of highways in Niue, 86 km of which are paved.

Sea:

Other Forms of Transportation:

Economic Zones:

Under the South Pacific Area Regional Trade and Economic Cooperation Agreement (SPARTECA) New Zealand provides duty free and unrestricted access to all goods from Niue, subject to a number of rules of origin requirements. SPARTECA is a non-reciprocal trade agreement. Most imports into Niue are subject to a 10 percent import levy.

In September 2002 Niue became the seventh country to ratify the Pacific Agreement on Closer Economic Relations (PACER), enabling the agreement to enter into force. The PACER is a framework agreement that sets an outline for the future development of trade and economic relations across the Forum region as a whole. It does not contain substantive trade liberalisation provisions. It envisages a step-by-step process of trade liberalisation starting with a subsidiary free trade agreement in goods among Pacific Island countries (the Pacific Island Countries Trade Agreement, PICTA) and foreshadows the future negotiation of Forum-wide reciprocal free trade arrangements (i.e. FTA arrangements including Australia and New Zealand). The PACER also includes provisions on trade facilitation and on financial and technical assistance.

Energy Policy:

Year	Total Energy Production (Mwh)	Type			Total Energy Consumption (Mwh)	Sector				
		Thermic (Mwh)	Geothermic (Mwh)	Other (Mwh)		Domestic (Mwh)	Commercial (Mwh)	Public Service (Mwh)	Industry (Mwh)	Public Lighting (Mwh)



Official Currency:
New Zealand dollar (NZD)

Banking and Insurance:

Number of Banks and Credit Unions:
Number of Agricultural Credit Unions:
Number of Insurance Companies:

Bank of the South Pacific, located in Alofi

Financial Services:

It was announced in February 2002 that Niue would shut down its offshore banking industry. The international business company registry was to close down on the island in 2003. The end of its tax haven business would cost Niue about US\$83,330 a year in bank license fees and US\$625,000 in company registration fees. This is about 10 percent of the total government revenue. the island had four registered offshore companies.

New Zealand is funding the closure of Niue's financial centre after supporting a new set-up to remove the island from the OECD blacklist. The closure of Niue's financial centre will see the Panama-based legal and accounting firm of Mossack Fonseca move off the island.

Nauru was still the only Pacific state left on the global watchdog group on illegal financing, the Financial Action Task Forces' list of non-co-operative countries and territories along with Burma and Nigeria.

Before the shutdown, International Business Companies (IBC) had all the powers of a natural person. A Memorandum and Articles of Incorporation were required, however no accounts were required to be filed, and no documents were kept in public file anywhere on the island. As well, bearer shares/shares of no par value were possible. IBCs could not trade within Niue or own real estate there. They could not undertake Banking, Insurance, Assurance, Re-Insurance, Fund Management, Asset Management (other than the management of their own assets). They could not solicit funds from the public or offer their shares to the public. IBCs must maintain an office address in Niue at the address of a licensed management company. Names had to be approved and could not contain the words "Assurance", "Bank", "Building Society", Chamber of Commerce, "Chartered", "Co-operative", "Imperial", "Insurance", Municipal, "Royal", "Trust Company" or "Trustee Company". Names that are, in the opinion of the Registrar, undesirable, or a name that implies patronage of the Royal Family or the Government, were also restricted. IBCs did not qualify for any double taxation agreements Niue may have had.

Communications/E-Commerce:

Government and private web sites on economy and tourism are somewhat limited. English and/or Niuean available. On the island there is one television broadcast station, two radio broadcast stations, and one Internet Service Provider. Niue was the first country to offer free-wireless internet nation-wide.

Economic openness: Niue has a very open economy. However, heavy reliance on external trade and foreign investment, needed to overcome inherent scale and resource limitations, leaves Niue vulnerable to external economic and environmental shocks. The degree of openness lessened considerably when Niue ended its off-shore banking industry.

Telephones - main lines in use: 1,100 (2002 est.)
Telephones - mobile cellular: 400 (2002)
Telephone system:
domestic: single-line telephone system connects all villages on island
international: country code - 683 (2001)

Radio broadcast stations: AM 1, FM 1, shortwave 0 (1998)
Television broadcast stations: 1 (1997)

Internet country code: .nu
Internet users: 900 (2002)

Public Ownership:

The Government of Niue lists broadcasting, the development bank and tourism as public corporations. The government has a number of trading arms including the port, bond store, telecom, public works and the power corporation. Private investors such as the Reef Group have been recently creating partnerships with government in areas such as fishing, nonu growing, juice processing, air services and other businesses involving necessary government regulation for them to function.

In Niue land is owned by line of descent (mangafaoa). Land is passed preferentially to the eldest son, but the vagaries of life and death show a different reality, where women as sole survivors own land and so on. 25% of all land privately owned, whereas 75% remains in multiple ownership, shared by the members of the magafaoa or descent groups. Each family has a house site.

Major problems on Niue relate to fragmentation of land titles and multiple ownership of particular blocks of land. Most lands remain unused or under used. Land cannot be bought or sold in Niue, but the Government of Niue can purchase land for public purposes, only with the consent of the land owners, of which most are also living abroad. In 1964 the Niue Assembly decided that persons who had been absent for 20 years or more would automatically lose their former land rights on Niue because it would retard economic development. But Niueans in NZ were vigorously opposed as they saw this as a break in social relations and they also wanted to keep Niue the way it was. Considerable animosity developed between residents and absentees. An important source of income on Niue comes from remittances from absent relatives in NZ. One of the functions of these remittances, as seen by the senders, is to maintain membership and active participation in one's family back home, and land rights function as continued membership.

Land Use:

Largest land use listed as 'other' at 73.08% (2001), followed by arable land: 15.38% and permanent crops: 11.54%.
Total land area used for crops (2001): (1,026.3 hectares).
Taro 613;
Coconuts 290;
Kava 49;

Nonu 65;
Tapioca 5.6;
Vanilla 3.7.

Agriculture/Forestry:

Niue is a agriculture based economy growing coconuts, passion fruit, honey, limes, taro, yams, cassava (tapioca), sweet potatoes; pigs, poultry, beef cattle. There is significant growth opportunity in organic agriculture. Although limited land and poor soil quality, combined with an unpredictable climate. make agriculture difficult.

Increasing attention has been paid to conservationist practices to counter loss of soil fertility from traditional slash and burn agriculture.

Weed-killer: Many taro and vegetable growers want to keep using the controversial Paraquat weed-killer. Although an alternative is being trialed, the growers contend it's not proving successful. The Niue Island Organic Growers Association wants Paraquat banned because it prevents the growers association from obtaining certification for organically grown vegetables. The government is gradually phasing out the weed-killer that is banned in many Pacific states.

Marine Activity:

Fishing:

Territorial sea claim of 12 nautical miles. Exclusive Maritime economic zone: 200 nautical miles.

Niue's EEZ extends over an area of 390,000 sq. km. Located in this zone about 125 nautical miles southeast of Niue Island is the semi-exposed Beveridge Reef. Much of the fishing in Niue is undertaken from small boats outside the reef. The most common craft in use are lightweight, one-man outrigger canoes, which can be carried down cliff paths for launching. There are significant growth opportunities in small scale fisheries. The major fishing technique is trolling for pelagic species.

Bottom fishing is also important. The annual catch from the subsistence fisheries was 194 mt, worth NZ\$315,640. Niue's Fisheries Division maintains an active fish aggregation device (FAD) deployment programme, with the intention of enhancing troll and mid-water tuna fishing.

Niue Fish Processors LTD, a sub-sidiary of Reef Group, will export, based on seasons, cargo of tuna and tropical species. The operation is designed to process all fish caught in the country's EEZ. The plant is a self-sufficient facility, producing its own power and fresh water by de-salinization.

Marine Life:

Critical Issues:

In January 2004 Niue was hit with a category 5 cyclone (Heta) that destroyed many of the homes and much of the infrastructure as well as extensive loss of forestry resources. As such, Niue has begun an extensive rebuilding project that has included some of the economic initiatives begun before the cyclone; though many have been put on hold due to limited financial resources.

The Governments of Niue and New Zealand, as well as, the United Nations have made commitments to link all recovery programmes, where possible, to the Niue Integrated Strategic Plan. Losses of \$37.7 million minimum from damage to property – personal, community and Government [Private Sector Enterprises, Public Sector and Civil Society] has been documented in the National Impact Assessment Report. The losses to indigenous forests and mahogany plantations are estimated at \$52 million in potential income. Considered by the government of Niue to be one of the most tragic losses is the – Cultural artefacts, that less than 5% are estimated recovered which can never be replaced.

In February of 2005 the island was hit with another cyclone, Cyclone Olaf. It caused the removal of the citizens of the village of Fiti'uta to the Manu'ia islands in American Samoa. The village was destroyed and a power plant nearby also suffered damage.

JURISDICTIONAL RESOURCES

Capital:

Capital: Alofi. Country Name: Niue; Previous Name: Savage Island. Admin. Divisions: At first glance there appears to be none, however, there are 14 villages that would be classed as second-order administrative divisions under the US system. They each elect a legislate member.

Political System:

Self-governing parliamentary democracy. Niue is fully responsible for all internal affairs however New Zealand retains responsibility for external affairs and defense. It is important to note that these responsibilities confer no rights of control and are only exercised at the request of the Government of Niue. Legal System: English Common Law. Note: Niue is self-governing with the power to make its own laws. Internal Government: Niue has a parliamentary system of government with a unicameral Legislative Assembly with 20 seats. 6 of those seats are elected by common roll and 14 are elected as village representatives. Members are elected by popular vote and serve three year terms. Niueans resident in overseas are not entitled to vote. The Legislate Assembly is led by an Executive branch consisting of the Premier, and three cabinet ministers. The 20 members elect a Premier and the Premier selects three cabinet ministers from the 19. Members elect a Speaker from outside their ranks. Associated Power: Under the Niue Constitution Act 1974, Niue became self-governing in free association with New Zealand, a status distinct from that of full independence. The adoption of the constitution followed an act of self determination under United Nations auspices. In terms of the free association relationship: Niue is self governing with the power to make its own laws. New Zealand cannot make laws for it, unless authorised or invited by the legislature of Niue to do so. In practice this never happens; The Niue Government has full executive powers; Niue remains part of the Realm of New Zealand, albeit a separate part, and the Queen in Right of New Zealand remains the Head of State of Niue; Niueans retain New Zealand citizenship. In recognition of constraints imposed by its size and isolation, New Zealand retains responsibility for the external affairs and defence of Niue. These responsibilities, however, confer no rights of control to the New Zealand Government and can only be acted on at the request of and on behalf of the Government of Niue. New Zealand has responsibility to provide –"necessary economic and administrative assistance". In recognition of the special constitutional relationship that exists between New Zealand and Niue, the Joint Consultative Group (JCG) was established in March 2000 to develop recommendations to both governments on –"how best to enhance the working partnership (between New Zealand and Niue) in coming years taking account of the shared obligations and responsibilities arising from common citizenship and mutual expectations of the constitutional relationship". At its inaugural meeting the JCG recommended that –"The Government of Niue and the Government of New Zealand should accept, as a shared and paramount objective, the maintenance of a living community in Niue". The recommendation was accepted. The JCG then took responsibility for recommending positive steps the two Governments could take to progress towards the goal of a living community in Niue. The JCG, made up of senior government officials from Niue and New Zealand, meets on a biannual basis. Niue's chief of State is Queen Elizabeth II (Since February 6, 1952). The people of Niue have dual citizenship, as an independent nation in free association with New Zealand. Expatriate New Zealanders travelling to Niue receive a one-month entry permit which allows them to stay, but not work, on the island. Alternatively, they can apply for a three year work residence permit. Just recently obtained sovereign rights over telecommunications, philatelic and numismatics and airspace agreements. A poll by Pacific Magazine shows that most Niueans wish to retain self-government in free association with New Zealand. A survey showed that 580 residents favoured the status quo, 195 favoured full integration with New Zealand and 57 favoured full independence. Judicial Branch: The Supreme Court of New Zealand is the highest judicial branch followed by the High Court of Niue, which also has a court of appeal. The High Court of Niue has unlimited first instance jurisdiction in civil and criminal matters. Note: The 1992 Constitutional Amendment Act saw the merging of what was the Land court into the general section of the High Court of Niue.

Political Parties:

Currently the Niue Peoples Action Party (NPP) hold 9 seats, independents hold 11 and all seats were reelected. The last election was held in March of 2002, and the next election will be held April 30, 2005. Niue People's Action Party (NPP), currently Young Vivian; Alliance of Independents (AI), currently Hunukitama Hunuki.

Important Legislation:

Constitution: 19 October 1974 – Niue Constitution Act: The 1974 Constitution Act provided for the continuing responsibility of the Government of New Zealand to provide necessary economic and administrative assistance to Niue. It also provided for a representative of the Government of New Zealand to be stationed in Niue. It established a high court and land court of Niue and the ability to make laws for the peace, order and good government of Niue. New Zealand citizenship is retained with full rights of access to New Zealand. A peculiar provision in the Constitutions of the Niue declares that the responsibilities of Her Majesty the Queen in respect of external relations and defence remain unaffected by the relocation of law-making power in the Assembly. That provision was, in the early years after self-government, the subject of some misunderstanding in New Zealand and internationally. Now it is widely understood that the effective source of advice to Her Majesty the Queen in right of New Zealand on Niuean matters are Her Niuean Ministers. In relation to Section 6 of the Act, it is important to stress that, as with the Cook Islands, the responsibilities of New Zealand for the external affairs and defence of Niue do not confer on the New Zealand Government any rights of control. Full legislative and executive powers, whether in those fields or in any others, are vested by the Constitution in the legislature and Government of Niue. Where the New Zealand Government exercises responsibilities in respect of external affairs and defence, it does so in effect on the delegated authority of the Government of Niue. Finally, there are special provisions within the Niuean constitution with respect to land. It states: The Niue Assembly shall not proceed upon any Bill or upon an amendment to any Bill, after its introduction, if in the opinion of the Speaker, that Bill or that amendment makes provision concerning- (a) The customary title to Niuean land; or (b) The alienation of Niuean land, or (c) The purchase, taking, or other acquisition of Niuean land for any public purpose, or (d) repealed (This paragraph was repealed by s7 of the Constitutional Amendment (No. 1) Act of 1992.) **Treaties:** On 10 November 1988, the New Zealand Government lodged a Declaration with the Secretary-General of the United Nations concerning the relationship of the New Zealand treaty-making power to the self-governing States of the Cook Islands and Niue. The Declaration recited that the Governments of the Cook Islands and Niue have 'exclusive executive and legislative competence to implement treaties in the Cook Islands and Niue'. It also stated that those Governments had requested that future New Zealand treaty actions not extend to the Cook Islands or Niue 'unless the treaty is signed...expressly on behalf of the Cook Islands or Niue'. The Declaration reversed the previous understanding that New Zealand treaty action applied to all the Realm of New Zealand unless any part was specifically excluded. **Important Legislation: Niue Offshore Banking and International Business Companies Legislation 1994:** This act is the principal corporate legislation of Niue. It includes an International Business Companies Act, known as an IBC Act of 1994, as well as separate comprehensive pieces of legislation on banking, insurance and trust. It also created trusts, partnerships, financial management, and insurance services. The act also provided for the creation of asset protection trusts that are impervious to many types of legal claims arising in other jurisdictions. In addition, trusts in Niue are exempt from taxation if the parties to the trust are not residents of Niue. Finally the IBC Act of 1994 allows IBCA's to not be required to disclose their beneficial ownership or to keep a register of directors. The Act was repealed in 2002 under threat from international donors to withhold aid to Niue. **Financial Transactions Reporting Act (FTRA) - November 2000:** The FTRA imposes reporting and record keeping obligations upon banks, insurance companies, securities dealers and futures brokers, money services businesses, and persons administering or managing funds on behalf of IBCs. Specifically, the FTRA requires financial institutions to report suspicious transactions, verify the identity of its customers, and keep records of financial transactions for six years. **Memorandum of Understanding between the Government of Niue and the Internet Users Society – Niue (IUS-N) dated the 21st January 1999:** In 1997, the Internet Users Society – Niue (IUS-N) obtained from the Internet Assigned Numbers Authority (IANA) the Niue country code Top Level Domain (ccTLD) .nu. In 1998, the management of the the .nu Top Level Domain name was transferred to .Nu Domain Limited (NDL) a company incorporated in Delaware, USA. In January 1999, a Memorandum of Understanding was agreed between the Government of Niue and IUS-N. It recites that the Government desires to encourage IUS-N to continue to provide internet capabilities and usage within Niue and to establish a protocol for managing the relationship between itself and IUS-N. Government contends that part of this arrangement was that IUS-N would provide to the Government of Niue a return of 25% of gross domain name sales in return for allowing IUS-N to continue to provide the services. **Niue Island Assembly Land Ordinance 1969:** The Land Ordinance provided for both individual and group registration of lands. Group registration was based on identifying the magaofoa descent groups. Essentially this act provided for land ownership to be reverted to native title, on the bases that customary and traditional practices should be seen as the basis of landownership in Niue. The Ordinance introduced the system of Registered Titles. The Ordinance followed legislation in 1964 that determined absences of more than twenty years from the island of Niue would result in forfeiture of land.

Principal Taxes:

Niue has a very simple tax system applying income taxes on both companies and individuals. For companies the rate is 30 percent for resident and non-resident companies. It is no longer the case that International Business Companies are tax-exempt. A 10 percent withholding tax on businesses applies on payments made by government. For individuals taxation is on a sliding scale from a minimum rate of 10 percent to a maximum of 50 percent. The same rates apply for both resident and non-resident individuals and range from 10%-15% in the lowest income brackets, to 40%-50% in the highest income brackets. Niue also has a Value Added Tax on all Goods and Services and a Departure tax, charged on departure for all passengers. The cost is NZ\$ 20 per person. Tariff Protection exists where the activity is import substituting and protection is essential for the initial survival of the approved activity; or there is a threat of excessive or unreasonable trade competition by a foreign exporter into Niue of such a commodity. Tax concessions may be granted where any new or existing enterprise establishes a new activity in Niue, or where an activity already existing in Niue is materially expanded by any new or existing enterprise, provided Cabinet is satisfied that such establishment or expansion will contribute substantially to the economic. As of 2007 there are no sales, no accommodation taxes and no VAT. The Niue government intends to introduce a GST of 12.5% in 2008.

Associated Power:

New Zealand

Citizenship:

The people of Niue have dual citizenship, as an independent nation in free association with New Zealand. Expatriate New Zealanders travelling to Niue receive a one-month entry permit which allows them to stay, but not work, on the island. Alternatively, they can apply for a three year work residence permit.

Paradiplomacy:

ACP, PIF, Sparteca, UPU, WMO. For all practical purposes Niue conducts its own external relations, including establishing formal diplomatic relations with other states. It participates as a full member of the Pacific Islands Forum, the Forum Fisheries Agency (FFA), the Pacific Community (SPC), and in a range of regional and international meetings. It has been admitted as a full member of the United Nations Educational, Scientific and Cultural Organisation (UNESCO, 1993), the World Health Organisation (WHO, 1994), and the Food and Agriculture Organisation (FAO, 1999). In June 2000, Niue signed the Cotonou Agreement, the successor arrangement to the Lomé Convention. Has European Union Commission Delegation (2002). Negotiated independently with the Canadian High Commissioner in Wellington to use the Canada fund to build a shelter for the Early Childhood Education Unit, following the Cyclone in January 2004.

HUMAN RESOURCES

Population: 2,156 (July 2004 est.); 1788 (September 2001); approx. 6000 in the 1960s. Note: Population decline is a central concern for Niue. Age structure: 0-18 years: 50% (2003); 15-64 years: NA; 60 years and over: 7.2 % (2002). Source: South Pacific Commission.

Island	Area (km sq.)	Population	% of Total Population
Niue	260	2,156	100%

Median age: 29 (2001); 21.5 (1998).

Population:					
Year	Resident Population				
Age of Population:	0-14	15-24	25-49	50-64	65 and up
2003	1050	0	0	0	150

Migration:
Pop. growth rate: -1.2% (2004 est.); Net migration rate: 330% (2004).

Emigration: Population decline is a central concern for Niue. At the time of the 2001 New Zealand census, 20,100 Niueans were resident in New Zealand. Niueans are the fourth largest Pacific Island population in New Zealand.

Crude Birth Rate:	
2004	18.5%

Life Expedctancy:
Total population 70.3; Males 67.6; Females 73.3.

Crude Death Rate:	
2004	7.8%

Ethnicity:
Polynesian with approx. 200 Europeans, Samoans, and Tongans.

Class Division:

Languages:
Niuean, a Polynesian language closely related to Tongan and Samoan; English.

Religion:
Ekalesia Niue (Niuean Church - a Protestant church closely related to the London Missionary Society) 75%, Latter-Day Saints 10%, other 15% (mostly Roman Catholic, Jehovah's Witnesses, Seventh-Day Adventist).

Literacy:
total population: 95%

Education System:
Education in Niue is compulsory from the age of 4 to 16. There are three education institutions in Niue which caters for the educational needs of the Niue people: Niue Primary School - Early Childhood and Primary education; Niue High School - Secondary education; University of the South Pacific - Tertiary education. There is also one pre-school. The one primary school is located at Halamahaga and the one high school at Paliati. Niue follows the New Zealand curriculum and Niue High School has been accredited by the New Zealand Qualifications Authority. Niue implemented Level 1 NCEA in 2002, in keeping with the changes made in New Zealand senior secondary assessment, and has moved on to implementing Level 2. Currently there is no Form 7 education at the High School and students who are carrying on to Form 7 attend school in New Zealand. Niue ratified the Convention on the Rights of the Child (CRC) on December 1st 1995, thereby, making a commitment to the child's right to education. Article 28 of CRC establishes that right. Niue endorsed the Programme of Action of the International Conference on Population and Development (ICPD) held in Cairo in September 1994. Niue was also a signatory to 1995 Copenhagen Declaration on Social Development and thereby, pledged their commitment to the rights and goals relating to education that are contained in this declaration.

Total Pre-schools:()	
Total Primary Schools	
First Level:	
Second Level:	
Third Level:	
Total Secondary Schools:	
Total Professional Schools	
Universities:	

Number of Schools per Island:										
	Pre-school		Elementary			High-school		Prof.	University	
	Pub	Priv	1	2	3	Pub	Priv		Pub	Priv
Niue	1		1			1			1	



Students Enrolled:					
Year:	Pre-School	Elementary	High-school	Prof.	University

Teachers							
Year	Pre-School	Elementary			High-School	Prof.	University
		1	2	3			

Medical Services:

Niue has a relatively healthy population by Western Pacific standards. Medical services are based primarily on curative rather than preventative health. Medical Services in Niue are overseen by the Department of Health. Niue offers free health care and pharmaceuticals to all residents. There is a lack of many specialist health services on the island. The 24-bed hospital at Alofi was destroyed by Cyclone Heta in Jan. 2004. Construction of a new hospital began in September 2004. The former Niue Health Centre offered medical and dental treatment and had a 24-hour on-call emergency service. Complicated cases and specialized treatment cases are sent to New Zealand. Total health expenditure per capita (Intl \$, 2001): 1,041; Total health expenditure as % of GDP (2001): 7.7. Health Personnel: 1999, 2000, 2001, 2002; Nurses 13, 13, 12, 14; Doctors 4, 4, 4, 4; Dentists 2, 2, 2, 2; Midwives 3, 3, 3, 3; Physiotherapist 1, 1, 1, 1; Radiologist 1, 1, 2, 2; Pharmacist 1, 1, 1, 1; Laboratory Technician 2, 2, 2, 2; Public Health 3, 3, 3, 3;

HISTORY AND CULTURE

History:

The island was first settled by Polynesian settlers from Samoa in the 9th or 10th century AD, and then Tonga in the 16th Century. They called the island Motusefua, an island on its own. Niue was first sighted in 1774 by the English navigator, James Cook, however he was unable to land due to resistance by Niuean warriors. Cook departed, but charted Niue and named it, Savage Island. Missionaries from the LMS (London Missionary Society) established Christianity in 1846. The first British resident was British missionary George Lawes, who arrived in 1861. Niue chiefs gained British Protectorate status in 1900 and in 1901 Niue was annexed to New Zealand as part of the Cook Islands. In 1903 the New Zealand's Cook and Other Islands Amendment Act established a separate administration for Niue under a separate Resident Commissioner. Export trade began in the early 1900's, consisting of wild mushrooms, arrowroot and copra. Plantings of cotton were successful until the world commodity price for cotton slumped. Niueans learned the Tokelau tradition of weaving hats and baskets from Pandanus leaves. The Niuean population further declined as Niue joined the first World War and tuberculosis spread on the island. A healthy banana industry was started and provided for export returns, but a disease put an end to that. By 1950, following a severe drought, the banana plantations were abandoned. Further attempts at agriculture were thwarted by hurricanes in 1959, 1960, and 1979, followed by Cyclones in 1989, 2004, and 2005. In 1974 Niue gained independence in free association with New Zealand.

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Recent Significant Events:

In January 2004 Niue was hit with a category 5 cyclone (Heta) that destroyed many of the homes and much of the infrastructure as well as extensive loss of forestry resources. As such, Niue has begun an extensive rebuilding project that has included some of the economic initiatives begun before the cyclone, however many have been put on hold due to limited financial resources. The Governments of Niue and New Zealand as well as the United Nations have made commitments to link all recovery programmes, where possible, to the Niue Integrated Strategic Plan. Losses of \$37.7 million minimum from damage to property – personal, community and Government [Private Sector Enterprises, Public Sector and Civil Society] has been documented in the National Impact Assessment Report. The losses to indigenous forests and mahogany plantations are estimated at \$52 million in potential income. Considered by the government of Niue to be one of the most tragic losses is the 'Taoga Niue – Cultural artefacts, that less than 5% are estimated recovered, that can never be replaced. In February of 2005 the island was hit with another cyclone, Cyclone Olaf. It caused the removal of the citizens of the village of Fiti'uta to the Manu'a islands in American Samoa. The village was destroyed and a power plant nearby also suffered damage.

Waitangi Day (Treaty of Waitangi established British sovereignty over New Zealand), 6 February (1840) is celebrated as a national holiday.

Music, Dance, Handicraft and Patrimony:

Reef Gallery/Reef Cafe: the non-profit subsidiary of Reef Group. It is non profit, opened in 2004, and show collaborative exhibits donating to local humanitarian organizations.

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