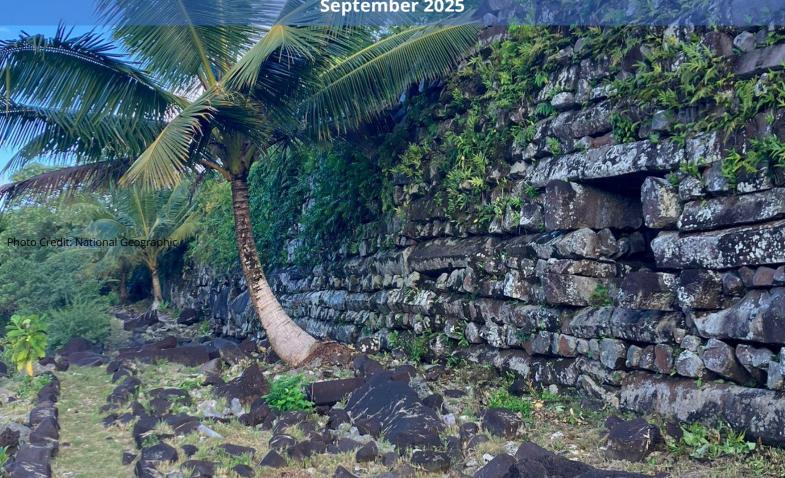


The Federated States of Micronesia

Nationally Determined Contribution 3.0

September 2025







CONTENTS

1.	FORI	EWORD	8
2.	ACKI	NOWLEDGMENTS	9
3.	EXEC	CUTIVE SUMMARY	.10
4.	NAT	ONAL CIRCUMSTANCES	.11
	4.1	History & Traditional Knowledge	.11
	4.2	Geography	.12
	4.3	Vulnerability to Climate Change	.13
	4.4	Demographic Profile	.15
	4.5	Political and Governance Structure	.17
	4.6	Land Ownership and Tenure	.20
	4.7	Economy	.20
	4.8	Economic Sectors	.21
	4.9	National and Regional Policies and Plans	.22
	4.10	NDC 3.0 Enhancement Process	.24
	4.11	Approach to NDC 3.0 Preparation	.25
	4.12	Limitations and Challenges	.25
5.	MITI	GATION	.26
	5.1	Energy	.26
	5.2	Waste	.31
	5.3	Agriculture, Forestry and Other Land Use (AFOLU)	.34
	5.4	Industrial Process and Product Use (IPPU)	.35
6.	ADA	PTATION	.37
	6.1	Food	.37
	6.2	Water	.39
	6.3	Biodiversity	.41
	6.4	Ocean	.43
	6.5	Public Health	.46
	6.6	Climate Resilient Infrastructure	.48
	6.7	Disaster Risk Management	.50
7.	LOSS	S AND DAMAGE	.52
8.	MEA	NS OF IMPLEMENTATION	.53
	8.1	Summary - Measures & Conditionality	.53

8.2	Resource Requirements	56
8.3	Cross-Cutting Enablement	57
8.4	GEDSI	58
9. Anr	nexure	60
9.1	Annexure 1: Information necessary for clarity, transparency, and	
unde	rstanding of FSM's NDC	60

Table List

Table 1: Mitigation Priority Area – Electricity	27
Table 2: Mitigation Priority Area – Transport	29
Table 3: Mitigation Priority Area – Energy - Others (Cooking)	30
Table 4: Mitigation Priority Area – Waste	32
Table 5: Mitigation Priority Area – AFOLU	34
Table 6: Mitigation Priority Area – IPPU	36
Table 7: Adaptation Priority Area – Food	38
Table 8: Adaptation Priority Area – Water	40
Table 9: Adaptation Priority Area – Biodiversity	42
Table 10: Adaptation Priority Area – Ocean	44
Table 11: Adaptation Priority Area – Public Health	47
Table 12: Adaptation Priority Area – Climate Resilient Infrastructure	49
Table 13: Adaptation Priority Area – Disaster Risk Management	50
Table 14: Measures – Mitigation & Adaptation	53
Figure List	
Figure 1: FSM's Total GHG Emissions by Sectors	10
Figure 2: FSM Map	
Figure 3: FSM Population by Age and Sex, 2024	
Figure 4: FSM Institutional Coordination	
Figure 5: Municipal Solid Waste Composition by Weight (2021)	
Figure 6: Adaptation & Mitigation Fund Requirement till 2035 (Source: National Investment of the Inves	nal & State-
Figure 7: Sectors' Fund Requirement till 20235 (Source: National & State-lev	

Abbreviations and Acronym

ADB Asian Development Bank

AFOLU Agriculture, Forestry and Other Land Use

ARISE Access and Renewable Increase for Sustainable Energy

BBN| Biodiversity Beyond National Jurisdiction Treaty

BESS Battery Energy Storage System

BUR Biennial Update Report
CDL Container Deposit Legislation

CFCSP Climate Finance Capacity Support Programme

COFA Compact of Free Association

COM-FSM College of Micronesia

COP Conference of the Parties (to the UNFCCC)
CROP Council of Regional Organisations in the Pacific

DECEM Department of Environment, Climate Change and Emergency Management

DRE Distributed Renewable Energy

DTC&I Department of Transport, Communication & Infrastructure

EEZ Exclusive Economic Zone
ENSO El Niño-Southern Oscillation
EPA Environmental Protection Agency
ESWG Energy Sector Working Group
ETWG Energy Technical Working Group

EU European Union EV Electric Vehicle

FADs Fish Aggregating Devices

FESRIP Framework for Energy Security and Resilience in the Pacific

FSM Federated States of Micronesia

FSM.SE Federated States of Micronesia Sustainable Energy Project

GEDSI Gender Equality, Disability, and Social Inclusion

GEF Global Environment Facility

GHG Greenhouse Gas

GIS Geographic Information System

GCF Green Climate Fund HFCs Hydrofluorocarbons

IDPs Infrastructure Development Plans

IPCC Intergovernmental Panel on Climate Change

IPPU Industrial Processes and Product Use

IUU Illegal, Unreported, and Unregulated (fishing)
JICA Japan International Cooperation Agency

LNOB Leaving No One Behind

MoU Memorandum of Understanding

MEPS Minimum Energy Performance Standards

MPSBEE Micronesia Public Sector Buildings Energy Efficiency Project

MRV Monitoring, Reporting, and Verification

MSPs Marine Spatial Plans

NBSAP National Biodiversity Strategy and Action Plan

NDA National Designated Authority (for GCF)
NDC Nationally Determined Contribution

NEP National Energy Policy

NISSAP National Invasive Species Strategy & Action Plan

PA Protected Area

PANPF Protected Areas Network Policy Framework
PET Polyethylene Terephthalate (plastic bottles)

PMO Project Management Office PMU Program Management Unit

PP Public-Private (context: PPP, if used later)

PPA Pacific Power Association

PIFS Pacific Islands Forum Secretariat

PROPER Pacific Regional Oceanscape Program Economic Recovery/Resilience

PT Public Transportation

PUC Pohnpei Utilities Corporation

PUF Plant Utilization Factor

REDP Renewable Energy Development Project

RPNDC Regional Pacific Nationally Determined Contribution

R&D Resources and Development
SDG Sustainable Development Goal
SDP Strategic Development Plan

SEDAP Sustainable Energy Development and Access Project

SLCPs Short-Lived Climate Pollutants

SMART Specific, Measurable, Achievable, Relevant, Time-bound SPC Pacific Community (Secretariat of the Pacific Community)
SPREP Secretariat of the Pacific Regional Environment Programme

TTPI Trust Territory of the Pacific Islands
T&D Transmission and Distribution

UNDP United Nations Development Programme

UNFCCC United Nations Framework Convention on Climate Change

USAID United States Agency for International Development

USP University of the South Pacific VMS Vessel Monitoring System

1. FOREWORD



FOREWORD

The Federated States of Micronesia (FSM) is a large ocean nation of many islands and many voices, united in purpose. Our geography is vast and diverse, with each State and outer islands facing unique

challenges shaped by distance, limited resources, and fragile ecosystems. Yet in preparing this Nationally Determined Contribution (NDC), every community has contributed to a single vision: a resilient, sustainable, and dignified future for all.

Our people live on the frontline of the climate change crisis. Rising seas, stronger and frequent storms, and shifting rainfall patterns threaten not only our homes but also our heritage, identity, and sacred ancestral resting places. Livelihoods are being disrupted as fish migrate from our waters, traditional crops face new pressures, and families are forced to leave ancestral islands. The devastation from recent cyclones has only underscored the urgency of decisive action.

Yet, despite these adversities, FSM chooses determination over despair and action over inaction. We reaffirm our unwavering commitment to the Paris Agreement and to the 1.5°C threshold that defines the survival of Small Island Developing States. We have set our course toward net-zero emissions by 2050, guided by our National Energy Policy 2024–2050 and aligned with broader strategies on environment, climate change, sustainable development, and disaster risk management. Central to this pathway is a commitment to gender equality, disability, and social inclusion (GEDSI), ensuring that women, children, the elderly, persons with disabilities, and marginalized groups share equally in both the risks and the benefits of a just transition.

FSM has long been a leader in global climate diplomacy. We were among the first to call for a global phase-down of hydrofluorocarbons and ratified the Kigali Amendment to the Montreal Protocol in 2017. We were also the first country in the world to sign the Biodiversity Beyond National Jurisdiction (BBNJ) Treaty in 2023 and are a founding member of the Global Methane Pledge. This NDC builds on that tradition, of leadership, expanding ambition across new sectors, and ensuring coherence with the outcomes of COP28 and COP29, as well as with regional and global frameworks.

This NDC is both a national roadmap and a call to the world. Achieving our mitigation and adaptation targets will require solidarity, partnership, and sustained support from the international community. FSM stands ready to do its part - not only for our islands, but for the shared future of all nations. We call on the global community to join us in building a sustainable, resilient, and healthy world for generations to come.

Vesley W. Simina President

Federated States of Micronesia

2. ACKNOWLEDGMENTS

The Government of the Federated States of Micronesia (FSM) extends its sincere appreciation to all parties who contributed to the successful development of its updated Nationally Determined Contribution (NDC 3.0).

This national effort was led by the Department of Environment, Climate Change & Emergency Management (DECEM) under the guidance of Secretary Honorable Andrew R. Yatilman. We gratefully acknowledge the invaluable cooperation of our national and state-level stakeholders throughout the extensive consultation process.

We extend profound gratitude to the Governments of Australia, New Zealand, Germany, the United Kingdom, and the European Union, whose funding through the Regional Pacific NDC Hub made this work possible. We also thank the Pacific Community (SPC) team (Mr Ron Simpson, Dr Noim Uddin, Ms Sadie Tunaulu and Mr Amit Singh) for their steadfast guidance and support.

Finally, special appreciation is extended to pManifold Business Solutions Ltd. for their dedicated technical contributions.

The Government of FSM acknowledges the collective effort that culminated in this critical national document.

3. EXECUTIVE SUMMARY

The Federated States of Micronesia (FSM) submits its "Third Nationally Determined Contribution (NDC 3.0)" under the Paris Agreement, reaffirming its commitment to the 1.5°C global goal and its national vision of reaching net-zero emissions by 2050. Building on earlier submissions, this NDC expands sectoral coverage, strengthens mitigation and adaptation measures and mentions loss and damage as a cross-cutting national priority.

FSM's NDC 3.0 reflects its longstanding record of climate leadership. The country was among the earliest to ratify the Kigali Amendment, the first to sign the Biodiversity Beyond National Jurisdiction Treaty, and is a founding member of the Global Methane Pledge. Domestically, this NDC is aligned with national and state strategies such as the National Energy Policy 2024–2050, the Strategic Development Plan 2025–2034, and state-level Smart Plans, ensuring coherence.

Mitigation Pathway:

FSM's mitigation strategy prioritizes the Electricity, Transport, Waste, AFOLU (agriculture, forestry, and other land use), and IPPU (Industrial Processes and Product Use) sectors. In 2018, emissions from electricity, transport, and solid waste stood at approximately 170 ktCO $_2$ e. Without intervention, these are projected to rise to 222 ktCO $_2$ e by 2030 and to 231 ktCO $_2$ e by 2035, representing a growth of 31% and 35%.

With the implementation of identified measures, however, FSM can bend this baseline trajectory, reducing emissions to 153 ktCO $_2$ e in 2030 and 150 ktCO $_2$ e in 2035, while avoiding ~69 ktCO $_2$ e in 2030 and ~82 ktCO $_2$ e in 2035 compared to the Business-as-Usual scenario. Key mitigation measures include:

- Achieving 70% renewable electricity by 2030, and 80% by 2035
- Ensuring universal electricity access and clean cooking adoption by 2035;
- Transitioning towards electric vehicles; and
- Advancing low-emission practices across waste, AFOLU and IPPU sectors

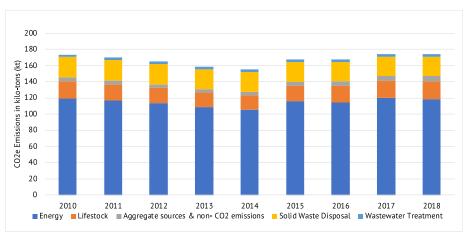


Figure 1: FSM's Total GHG Emissions by Sectors¹

Adaptation remains equally central to FSM's climate strategy. The NDC 3.0 outlines measures to:

- Strengthen food and water security;
- Restore mangroves and coastal ecosystems;
- Expand Marine Protected Areas;
- Conserve 30% of terrestrial ecosystems; and 50% of marine resources by 2035;
- Climate-proof critical infrastructure, including roads, ports, and airports; and
- Address growing public health risks from vector-, water-, and food-borne diseases.

All adaptation measures are designed with gender equality, disability, and social inclusion (GEDSI) at their core, ensuring that vulnerable groups are protected and empowered in the transition. Recognizing the irreversible impacts already being felt, loss and damage are now fully embedded as a national priority.

Means of Implementation:

Delivering these targets are conditional to sustained international support in the form of climate finance, technology transfer, and capacity enhancement. FSM will operationalize its NDC 3.0 through its Infrastructure Development Plans (2025–2034), state-level Smart Plans, and partnerships with bilateral, multilateral, and regional initiatives and funding, including the Green Climate Fund.

FSM's NDC 3.0 demonstrates both urgency and ambition. While the country's emissions are negligible on a global scale, it is taking bold actions to transform its energy systems, safeguard its people and ecosystems, and chart a resilient, sustainable future. At the same time, FSM calls for stronger global solidarity to ensure that the people of Micronesia and all Small Island Developing States can survive and thrive in the face of a rapidly changing climate.

4. NATIONAL CIRCUMSTANCES

The Federated States of Micronesia (FSM) is an independent sovereign island nation composed of four states - Yap, Chuuk, Pohnpei, and Kosrae - stretching across the western Pacific Ocean. The country comprises approximately 607 islands with 702 sq. km, dispersed across an Exclusive Economic Zone (EEZ). FSM lies about 2,700 km north of eastern Australia¹ and is among the world's most geographically dispersed nations.

4.1 History & Traditional Knowledge

FSM has a rich history of human settlement dating back around 4,000 years. Over the centuries, the islands came under successive colonial administrations: Spain in the 16th century, German in the late 19th century, and Japan in 1914. Following World War II, FSM became part of the United Nations Trust Territory of the Pacific Islands (TTPI), under U.S.

¹Climate, Climate Variability and Change Of FSM. Available At http://www.Globalislands.Net/Userfiles/FSM16.Pdf

Administration. On May 10, 1979, the districts of Yap, Chuuk, Pohnpei, and Pohnpei's then sub island, Kosrae, ratified a constitution, establishing the Federated States of Micronesia. FSM achieved independence in 1986 under the Compact of Free Association (COFA) with the United States, which was amended in 2004 and renewed in 2024, ensuring long-term economic assistance for 20 years.

Each state maintains its own distinct culture, language, and traditions, while sharing common values rooted in extended family and clan systems. FSM recognizes eight major indigenous languages, with English serving as the official language of government and commerce.

Traditional knowledge – in farming, fishing, medicine, navigation, and sustainable use of forests, reefs, and oceans – remains central to community life. However, challenges persist, including declining intergenerational transmission, misappropriation, and inequitable benefit-sharing². Strengthening the protection, revival, and integration of traditional knowledge with modern practices is essential for sustainable resource management and climate resilience.

4.2 Geography

FSM's geography is diverse, ranging from high volcanic islands to low-lying atolls:

- Yap: Volcanic islands and 134 atolls.
- Chuuk: Most populous state, with over 290 islands.
- Pohnpei: Home to FSM's largest islands and the national capital, Palikir.
- Kosrae: A single high volcanic island, notable for its rivers and absence of outer islands.

This geographic diversity underpins FSM's cultural richness but also heightens its exposure to climate risks, particularly for low-lying atolls and coastal communities.

² The Role of Customary Law in Access and Benefit-Sharing and Traditional Knowledge Governance: Perspectives from Andean and Pacific Island Countries. Available At

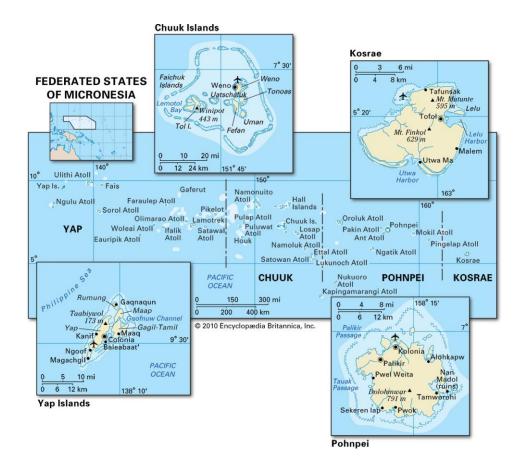


Figure 2: FSM Map⁵

4.3 Vulnerability to Climate Change

Climate Context

FSM, situated near the equator in the western Pacific, experiences a tropical maritime climate with consistently high temperatures (26.5°C–27°C) and extreme humidity. Rainfall is the highest globally, ranging from ~3,100 mm in Yap to over 5,150 mm in Kosrae, and even higher levels in mountainous regions. Seasonal variability is shaped by the Intertropical Convergence Zone (ITCZ), trade winds, and monsoon activity, with a wet season from May to November and a drier season from December to April³.

The El Niño–Southern Oscillation (ENSO) strongly influences rainfall, with El Niño events bringing drought and La Niña events causing heavy rains, floods, and landslides, particularly in vulnerable islands such as Yap⁴.

³ Micronesia, Fed. Sts. - Climatology | The FSM Change Knowledge Portal. Available at https://climateknowledgeportal.worldbank.org/country/micronesia-fed-sts/climate-data-historical

⁴ FSM Country Report_Updated.pdf. Available at https://www.rccap.org/uploads/files/7819548b-0f20-4c25-a21c-4c1b7d57407a/FSM%20Country%20Report_Updated.pdf

Observed Climate Change Trends

Air Temperature: The number of hot days has increased while cool nights have decreased across FSM. Though the surface air temperatures have warmed less than the global average, these temperatures have increased by ~1.6°F (0.9°C) in western FSM, covering all of Yap and the western islands of Chuuk, and by ~1.4°F (0.8°C) in eastern FSM including Kosrae, Pohnpei, and the eastern islands of Chuuk⁵.

Rainfall: Historical records since 1960 show variability, with declining wet season in rainfall without a statistically significant long-term trend. Annual and wet season rainfall has declined in Pohnpei (May to October) contributing to more frequent droughts since the 1950s⁶.

Sea Surface Temperature: Average sea surface temperatures across FSM have increased by 0.45°F (0.25°C) per decade since 1982, driving coral reef bleaching. Ocean Chemistry: Increasing acidification threatens reef growth and marine biodiversity.

Sea Level: Sea-level is rising rapidly, with 19 cm increase near Pohnpei over the past 30 years⁷, one-third of which occurred in the last 25 years⁸.

Cyclones: FSM lies in the world's most active tropical cyclone basin, with storms causing severe damage to infrastructure, crops, and freshwater systems.

Projected Climate Change Risks

Rising Air Temperatures: Projected increase of \sim 1.3°F (0.7°C) by 2030 (relative to 1986–2005 levels) with 1.5°C global warming and up to 3.4°F (1.9°C)⁹, depending on global warming scenarios.

Extreme Rainfalls: Up to 12% increase by 2030 and 23% by 2090¹⁰, raising flood and landslide risks.

Warm Sea Surface Temperature: Annual bleaching project by 2040, under high-warming scenarios

⁵ Climate Change in the Federated States of Micronesia: Indicators and Considerations for Key Sectors. Available at https://www.eastwestcenter.org/sites/default/files/2023-07/climate-change-in-fsm-pirca-2023-low-res.pdf

⁶ Changes in the FSM climate. Available at https://ccprojects.gsd.spc.int/fiji/

⁷ Sea Level Summary for Pohnpei, Micronesia. Available at https://sealevel.nasa.gov/internal resources/531/Pohnpei Micronesia combined.pdf

⁸ Sea Level Change, Historical. Available at https://climateknowledgeportal.worldbank.org/country/micronesia-fed-sts/sea-level-historical

⁹ FSM Country Report_Updated.pdf. Available at: https://www.rccap.org/uploads/files/7819548b-0f20-4c25-a21c-4c1b7d57407a/FSM%20Country%20Report Updated.pdf?utm source

¹⁰ Climate, climate variability and change of FSM. Available at http://www.globalislands.net/userfiles/FSM16.pdf

Ocean Acidification: Expected to severely limit reef growth by century's end.

Rising Sea-Level: Projected 20cm rise by 2050 and 74 cm by 2100 under a 3.0°C warming scenario¹¹, amplifying risks of saline intrusion, wave-driven flooding, cyclone and tsunami-induced storms, and coastal erosion. Further, wave heights are projected to decrease between December and March, while during June to September they may become more predominantly directed from the south¹².

Increased Intensity of Cyclones: Fewer in number but more intense, with stronger winds and heavier rainfall.

Overall Vulnerability

FSM's vulnerability is shaped by its geography, reliance on natural resources, and dispersed population. Low-lying atolls face existential threats from sea-level rise, saline water intrusion, and storm surges, while shifts in rainfall and warming temperatures undermine water security, food production, and public health. Coral reef degradation further erodes coastal protection and fisheries. Collectively, these factors place FSM among the world's most climate-vulnerable nations.

4.4 Demographic Profile

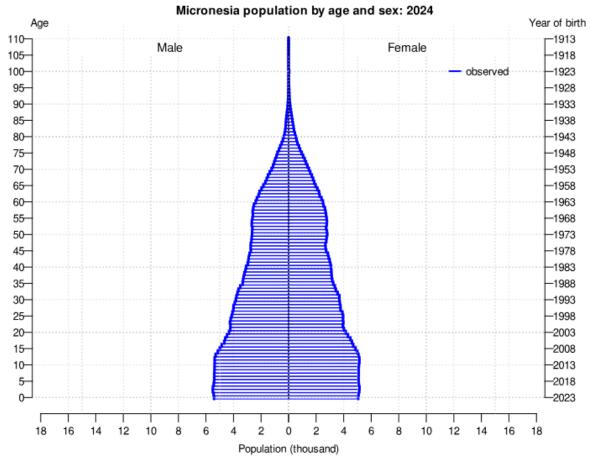
FSM's population in 2024 is estimated at 113,160¹³, with a sex ratio of 1,013 females per 1,000 males and a density of 161 people per km². Figure 2 indicates the gender disaggregated data in FSM for all age groups with a declining trend in population as the age increases for both males and females. Gender dynamics are shifting, with women increasingly engaged in natural resource management, agriculture, forestry, and fisheries, contributing to food security and resilience. Women are also well represented in managerial roles, though leadership positions remain male-dominated.

The population is projected to decline slightly to 128,000 by 2054, peak at 133,000 around 2075, and stabilize near 128,000¹⁴. Urbanization remains modest at 23% (2023).

¹¹Sea Level Summary for Pohnpei, Micronesia. Available at https://sealevel.nasa.gov/internal_resources/531/Pohnpei_Micronesia_combined.pdf

¹² Changes in the FSM climate. Available at https://ccprojects.gsd.spc.int/fiji/

¹³ World Population Prospects 2024: Summary of Results. Available at https://population.un.org/wpp/assets/Files/WPP2024_Summary-of-Results.pdf



© 2024 United Nations, DESA, Population Division. Licensed under Creative Commons license CC BY 3.0 IGO. United Nations, DESA, Population Division. World Population Prospects 2024. http://population.un.org/wpp/

Figure 3: FSM Population by Age and Sex, 2024¹⁵

Climate Change-related Impact

FSM faces intensifying climate-driven risks that exacerbate social vulnerabilities and may lead to increased population mobility and relocation. Coastal and atoll communities, many situated just 1–2 meters above sea level, are particularly exposed to sea-level rise, drought, coastal erosion, and intensified storms.

Climate shocks are already eroding household assets, threatening food security, and undermining livelihoods from farming and fishing. These pressures heighten poverty risks and may disrupt cultural practices closely tied to land and marine resources. Over time, such vulnerabilities are expected to drive greater climate-related mobility and relocation, with FSM already recording net out-migration of 1,104 in 2024.

For women, climate change adds another layer of vulnerability. Women working in institutions often face limited resources, weak gender mainstreaming, and competing cultural norms. Strengthening women's participation in climate governance is therefore essential to building resilience. At the same time, expanding women's roles in agriculture, forestry, and fisheries can enhance food security and strengthen the benefits derived from subsistence livelihoods.

4.5 Political and Governance Structure

National and State Governance

FSM is governed under the Declaration of Rights and Constitution, which provides for three branches of government at the national level:

- Executive, led by the President and Cabinet;
- Legislature is vested in the Congress; and
- Judiciary is independent of the other branches.

The Constitution also recognizes the importance of integrating traditional political systems into modern governance. Each of the four states has its own constitution and operates through executive, legislative, and judicial branches. State governments oversee governance of land (except in the national capital, Palikir), coastal resources up to 12 nautical miles, health, education, water, and roads.

A unique feature exists in Yap, where traditional leaders form a fourth branch of government. Land tenure varies across states with Yap and Chuuk having large areas of land and marine systems under private ownership by families and clans.

The national government retains authority over offshore marine resources (beyond 12 nautical miles), foreign affairs, immigration, and international treaty obligations. This creates a multi-layered governance system, where both national and state authorities share responsibility for addressing climate change.

Climate Change Governance and Institutional Arrangements

Climate change governance is handled by the Department of Environment, Climate Change and Emergency Management (DECEM), which oversees national climate change policy, environmental management, and disaster risk response. DECEM also serves as the national focal point for the Vienna Convention on Ozone Layer Protection, the Montreal Protocol, and the Global Environment Facility (GEF), and acts as the executing entity for the Adaptation Fund, with the Secretariat of the Pacific Regional Environment Programme (SPREP) as implementing agency.

Other key institutions include:

- a. The Department of Foreign Affairs (DFA): Represents FSM in international negotiations and serves as the focal point for multilateral climate agreements.
- b. The Department of Finance and Administration (DoFA): Hosts the National Designated Authority (NDA) for the Green Climate Fund (GCF), ensuring alignment of climate finance with national priorities.
- c. The Department of Resources and Development (DoRD): Works with DECEM and state governments to promote climate-smart agriculture, sustainable fisheries,

- and renewable energy development.
- d. The Department of Transportation, Communication and Infrastructure (DTC&I): Leads disaster preparedness and long-term adaptation planning for climate resilience in transportation and energy infrastructure¹⁵.

This framework provides a strong foundation, enabling FSM to align financing with implementation in ways that deliver maximum impact.

¹⁵ Micronesia. National Communication (NC). NC 3. Biennial Update Report (BUR). BUR 1. Available at https://unfccc.int/sites/default/files/resource/NC3%20BUR1%20MICRONESIA%20UNFCCC.pdf

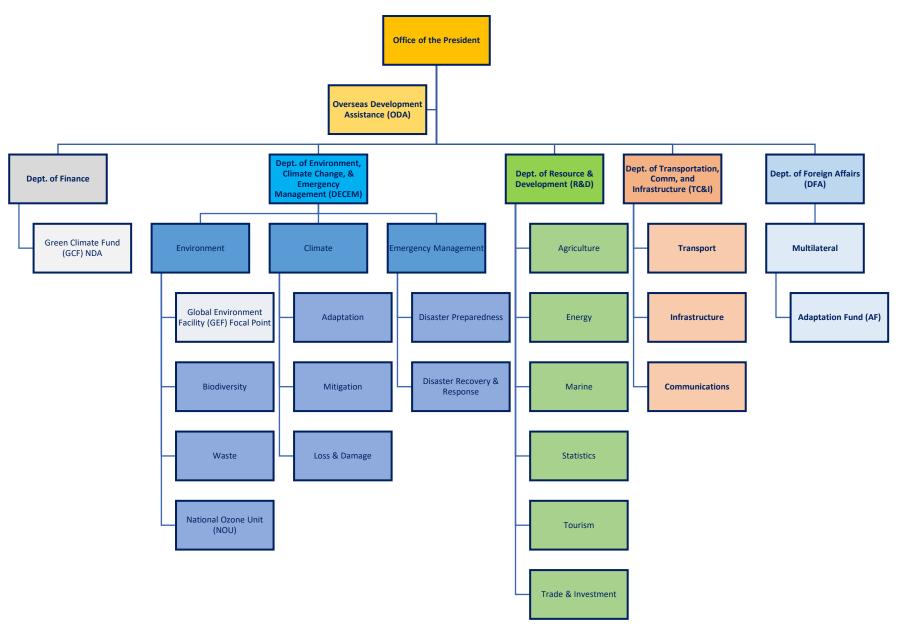


Figure 4: FSM Institutional Coordination

4.6 Land Ownership and Tenure

Land is a vital cultural and economic asset in FSM, governed primarily by customary clan and family-based tenure systems. Constitutionally, only FSM citizens may own land, while non-citizens may lease property for limited periods. Most land is owned either communally (especially lineage land in Chuuk, Kosrae, and Yap) or by single households for agricultural purposes. Land rights are strongly protected by both tradition and law¹⁶ making land tenure a critical factor in climate adaptation and relocation planning. Current land ownership issues hinder overall infrastructure development in FSM, including tourism facilities and solar power plant projects.

4.7 Economy

FSM's economy is highly dependent on subsistence activities, government services, and external financial assistance. Government spending is largely supported by U.S. grants under the Compact of Free Association, remains a key driver of economic stability¹⁷.

In 2023, FSM's nominal GDP per capita was approximately USD 4,084, up from about USD 3,835 in 2022^{18} . The services sector drove much of the economy, accounting for around 69.2% of GDP¹⁹, while agriculture, forestry, and fishing contributed about $23.3\%^{20}$, and industry roughly $5\%^{21}$. FSM's GDP declined by 2.9% in 2022, largely due to COVID-19 related disruptions such as reduced mobility, tourism, and supply chain issues but began to recover with growth of 0.5% in 2023 and 0.7% in 2024^{22} . Inflation was 6.2% in 2023^{23} , mainly from external supply shocks and rising import costs.

COVID-19 had pronounced impacts throughout FSM, especially for outer islands, where access to goods, services, and markets was constrained. Post-COVID recovery has been incremental, and climate change compounds economic risk: severe weather, cyclones, and coastal impacts damage infrastructure, disrupt agriculture and fisheries, and drive migration. The GDP per capita trend shows cautious improvement, but maintaining and

¹⁶ PROPERTY.pdf. Available at https://fsmlaw.org/fsm/decisions/digest/pdf/PROPERTY.pdf

¹⁷ Federated States of Micronesia: 2023 Article IV Consultation-Press Release; Staff Report; and Statement by the Executive Director for Federated States of Micronesia. Available at

https://www.imf.org/en/Publications/CR/Issues/2024/03/04/Federated-States-of-Micronesia-2023-Article-IV-Consultation-Press-Release-Staff-Report-and-545538

¹⁸ Macrotrends. Available at https://www.macrotrends.net/global-metrics/countries/fsm/micronesia/gdp-percapita

¹⁹ Services, value added (% of GDP) - Micronesia, Fed. Sts. Available at https://data.worldbank.org/indicator/NV.SRV.TOTL.ZS?locations=FM

²⁰ Agriculture, forestry, and fishing, value added (% of GDP) - Micronesia, Fed. Sts. Available at https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=FM

²¹ Industry (including construction), value added (% of GDP) - Micronesia, Fed. Sts. Available at

²² GDP growth (annual %) - Micronesia, Fed. Sts. Available at https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=FM

²³ Federated States of Micronesia: 2023 Article IV Consultation-Press Release; Staff Report; and Statement by the Executive Director for Federated States of Micronesia. Available at https://www.elibrary.imf.org/view/journals/002/2024/066/article-A001-en.xml

accelerating progress depends on aligning growth with resilient, low-emission development.

4.8 Economic Sectors

4.8.1 Fisheries

FSM's EEZ of approximately 3 million km², supports one of the world's most productive tuna fisheries. The sector contributes over US\$70 million annually in licensing and direct harvesting revenues, out of a total sector value of US\$330 million. More than 150,000 tonnes of tuna are harvested annually, with foreign fleet accounting for over 70% of the sector's economic value²⁴.

Fisheries are central to both export earnings and domestic food security, sustaining the livelihoods of over 70% of households. However, climate change poses severe threats:

- o Rising ocean temperatures and acidification are damaging coral habitats.
- Shifts in tuna migration patterns are reducing the productivity of key fishing grounds.

4.8.2 Tourism

Tourism plays a modest but meaningful role in FSM's economy. In 2019, the sector generated US \$18 million in revenues and directly employed about 2.5% of the workforce. Visitor arrivals 18,019, with 60% to Pohnpei, 28% of visitors arrived in Chuuk, and 6% each to Kosrae, and Yap.

After several years of decline (2017 and 2019), arrivals²⁵ have rebounded. For example, Yap recorded 1,825 international stayover visitors between January-August 2024, nearly double the 945 visitors in 2023, a 93% increase²⁶.

FSM's rich cultural heritage and natural beauty present significant potential for tourism growth across its states, including Yap, Chuuk, Pohnpei and Kosrae. However, weak environmental regulations pose risks to sustainable tourism development. Although each state has established Environmental Protection Acts, their effectiveness varies, and currently, none of the states has a building code. This regulatory gap raises concerns, especially given both rising urbanization and the development of new tourism infrastructure. Furthermore, the lack of regulations governing tourist access to fragile

²⁴ FSM-National-Oceanic-Fisheries-Investment Policy-2021-2026. Available at https://norma.fm/wp-content/uploads/2024/03/FSM-NATIONAL-OCEANIC-FISHERIES-INVESTMENT-POLICY-2021-2026-final-draft-as-of-9.1.2021.pdf

²⁵ Annual Visitor Arrivals of Non-FSM Citizen by Purpose: FSM 2014-2019. Available at https://stats.gov.fm/topics/social/international-visitors-arrival/

²⁶ Visitor Arrivals Double, Yap Hosting Next Micronesia Expo, Coral Geographer Cruise Visit. Available at https://southpacificislands.travel/visitor-arrivals-double-yap-hosting-next-micronesia-expo-coral-geographer-cruise-visit/

historical sites increases the risk of damage as visitors' numbers rise²⁷.

The tourism sector is increasingly vulnerable to climate change. Rising sea levels, worsening storms, coral bleaching, and coastal erosion threaten key attractions and infrastructure that are vital for tourism. FSM's Third National Communication to the UNFCCC highlights that these climate related threats could severely impact tourism assets, such as beaches, reefs, and cultural sites, ultimately undermining the economic benefits derived from tourism-related activities. Compounding these challenges are water supply shortages, inadequate sanitation, and persistent waste management issues, which further constrain FSM's ability to expand tourism sustainably. Therefore, transitioning the tourism sector toward energy-efficient systems and renewable technologies is a critical step in advancing the decarbonization of the industry across all four FSM States.

4.9 National and Regional Policies and Plans

FSM has established a robust institutional and policy framework to address climate change, disaster risk reduction, energy transition, gender equality, and sustainable development. As a party to major international agreements, including the UNFCCC, Kyoto Protocol, Montreal Protocol, and the Paris Agreement – FSM is committed to ambitious climate action. Its Updated Nationally Determined Contribution (NDC) for 2022 aims to reduce CO₂ emissions by 65% below 2000 levels by 2040, ensure 100% energy access by 2030, achieve 70% renewable energy (85% by 2040)²⁸, and attain net zero status by 2050.

To operationalize these goals, FSM has enacted several key policies and laws²⁹:

- National Energy Policy 2024–2050: Led by the Department of Resources and Development's Energy & Water Division, this policy outlines ambitious targets, including achieving 70% renewable electricity by 2030 and progressing to 100% by 2050. It emphasizes phasing out inefficient biomass-based cooking, expanding clean electric transport, and ensuring universal energy access. The policy, endorsed in August 2024 and formally launched in May 2025, is implemented nationally by the Division of Energy, which facilitates coordination and manages standards and projects. State utilities (PUC, CPUC, YSPSC, and KUA) execute delivery.
- Energy Master Plans (2018): These state-level frameworks, developed under the Energy Sector Development Project, offer 20-year roadmaps for infrastructure investment, renewable energy expansion, women's empowerment, and health outcomes. The plans inform NDC targets and have led to the implementation of donor-funded solar PV systems and energy efficiency projects.

²⁷ Federated States of Micronesia: Pacific Tourism Sector Snapshot | November 2021. Available At <u>Https://Www.Pacificpsdi.Org/Assets/Uploads/Psdi-Tourismsnapshot-Fsm.Pdf</u>

²⁸ Updated Nationally Determined Contribution of The Federated States of Micronesia for The Period Through 2030. Available At https://Unfccc.int/Sites/Default/Files/Ndc/2022-10/Updated Ndc Of The Federated States Of Micronesia.Pdf

²⁹ Climate Change Legislation and Policies. Available At <u>Https://Fsm-Data.Sprep.Org/Data-Dashboard/Climate-change-legislation-and-policies</u>

- **Strategic Development Plan (SDP) 2024-2043:** Coordinated by the Department of R&D, this overarching framework outlines priorities for economic growth, infrastructure, climate resilience, and social development, aligning national objectives with global commitments.
- Infrastructure Development Plans (IDPs): Endorsed by FSM Congress in January 2025, the IDPs set out a coordinated, multi-sector investment pipeline for the next decade, covering energy, transport, water, waste, health, and resilient infrastructure. Their objective is to guide resource allocation, prioritize climate-resilient and sustainable projects, and attract external financing. The IDPs serve as a bridge between sectoral development priorities and FSM's climate commitments, directly informing the design and implementation of NDC 3.0 by aligning infrastructure investments with mitigation and adaptation goals.
- **National Disaster Management Plan (2025):** This framework enhances disaster preparedness and response across all governance levels. It emphasizes community self-sufficiency and the integration of disaster risk management into national and state policies.
- State SMART Plans: The State SMART Plans align state-level priorities with national development strategies and NDC commitments, facilitating targeted resource mobilization. Developed through multi-stakeholder workshops in 2025, these plans played a pivotal role in shaping NDC 3.0 by translating state-level aspirations into concrete mitigation and adaptation targets. This bottom-up process ensured that the NDC reflects both national ambition and local realities, strengthening ownership and implementation pathways across all four states.
- **Solid Waste Management Strategy (2019):** Building on prior national and regional efforts, this strategy aims to establish a sustainable framework for integrated solid waste management over ten years. It includes mid-term action plans and is primarily state-driven, supported by DECEM and development partners.
- National Gender Policy (2018): This policy promotes gender equality and mainstreams gender considerations into climate and development processes. Its objectives include enhancing women's leadership and participation, combating gender-based violence, and ensuring equitable education outcomes. A five-year updated policy, the FSM National Gender Equality Policy (2025–2030), is set to launch in October 2025.
- Climate Change Act (2013): This foundational legislation mandates the integration of climate actions across government ministries. Its implementation is led by DECEM, although challenges remain due to limited institutional capacity and fragmented funding.

4.10 NDC 3.0 Enhancement Process

FSM's NDC 2.0 established ambitious mitigation and adaptation targets across multiple sectors. Key commitments included achieving 100% electricity access, increasing the share of renewable generation to over 70%, and reducing CO_2 emissions from power by more than 65% below 2000 levels. Additionally, FSM pledged to phase down HFCs, reduce black carbon and methane emissions from diesel generation by 65%, and develop national methane inventories. On adaptation, FSM committed to climate-proof all major roads, ports, and airport access routes by 2030, ensuring universal access to safe drinking water, and improving food security through initiatives like farmer cooperatives, climate-smart agriculture, and seed banks. The NDC also targeted effective management of 50% of marine resources and 30% of terrestrial areas, alongside strengthening public health systems and disaster preparedness to better respond to climate-related risks.

The NDC 3.0 builds on the foundation of FSM's NDC 2.0 by expanding coverage to new sectors including transport, waste, cooking, oceans, and loss and damage. It strengthens coherence with national development plans (SDP and IDPs) and biennial update reports, regional frameworks, and global climate architecture.

A key feature of NDC 3.0 is its alignment with the outcomes of COP28 and COP29, particularly through its link to the Global Stock-take (GST) process and the recognition of a just and equitable transition as guiding principles. The GST calls for parties to amplify ambition in light of collective progress towards the Paris Agreement goals and FSM responds by extending updated targets to 2035, providing a longer-term planning horizon that better reflects infrastructure cycles, adaptation needs, and investment strategies. In the mitigation sector, NDC 3.0 builds on FSM's energy transition package, reaffirming the target of 70% renewable energy in power generation by 2030. Additionally, it sets post-2030 milestones on grid modernization and efficiency improvements. On the adaptation front, NDC 3.0 integrates priorities on coastal protection, resilient infrastructure, and food and water supplies. Importantly, the NDC 3.0 explicitly incorporates loss and damage as a cross-cutting area, acknowledging FSM's extreme vulnerability to sea-level rise, typhoons, and other climate shocks. By mainstreaming enabling factors such as gender and disability inclusion, education and capacity building, policy and regulation, climate financing, and private sector participation, FSM positions its NDC 3.0 as a comprehensive framework through 2035, balancing mitigation and adaptation efforts while addressing critical resilience needs.

Reflecting the COP28 outcome on just-transition, FSM emphasizes that the fair and inclusive implementation of NDC 3.0 is inseparable from safeguarding livelihoods, addressing socio-economic vulnerabilities, and ensuring that no community is left behind. The people of FSM are collectively building and strengthening the country's resilience to climate change in alignment with the just-transition principles.

Looking ahead to COP29, FSM underscores that delivery of enhanced international climate finance through the new collective quantified goal (NCQM) will be critical to realizing the conditional elements of its NDC 3.0.

4.11 Approach to NDC 3.0 Preparation

The measures outlined in NDC 3.0 have been prepared at the national level through extensive consultations and validations involving both national and state stakeholders. These measures reflect state-level priorities, articulated through their respective SMART plans, ensuring alignment with sector-specific strategies while accommodating the varying levels of development among the four states.

The preparation process involved a structured review of existing literature and frameworks. Key national and state-level frameworks analyzed include the Strategic Development Plan (SDP) 2024-2043 and the National Energy Policy (2024–2050), which provide the overarching direction., This is complemented by the Energy Master Plans (2018), Solid Waste Management Strategy (2019), National Disaster Management Plan (2025), and the Climate Change Act (2014). The Infrastructure Development Plans (IDPs) 2025–2034 translate priorities into actionable investment pipelines, while cross-cutting initiatives are supported by the National Gender Policy (2018), with a new Gender Equality Policy (2025–2030) set to be launched soon. Together, these policies and plans establish the foundation for FSM's inclusive climate ambition and ensure alignment with regional and global frameworks.

4.12 Limitations and Challenges

FSM currently relies on diverse methodologies provided by multilateral agencies and technical assistance programs to measure and report on climate-related activities, including waste emissions, GHG inventories, and climate finance flows. While these efforts have been valuable, they have often produced fragmented data that is inconsistent and difficult to compare across sectors.

In preparing NDC 3.0, FSM has identified gaps, particularly in GHG inventories, due to the absence of a consistent data source. To address these challenges, FSM recognizes the need for a nationally owned Monitoring, Reporting, and Verification (MRV) framework that consolidates data across mitigation, adaptation, and finance sectors. Establishing such a system will ensure country ownership, enhance consistency in data collection and reporting, and align with national climate priorities. A unified MRV framework will also strengthen FSM's capacity to report transparently under the Enhanced Transparency Framework, improve access to international climate finance, and support evidence-based policymaking.

5. MITIGATION

FSM's mitigation strategy under NDC 3.0 targets the primary sources of national emissions by prioritizing actions in the electricity, transport, waste, agriculture, forestry and other land use (AFOLU), and industrial processes and product use (IPPU) sectors. Collectively, these sectors account for the majority of the country's GHG emissions, with energy use in electricity generation and transport being the largest contributors.

5.1 Energy

The energy sector is central to FSM's sustainable development, economic resilience, and climate objectives. Access to reliable, affordable, and clean energy is essential for improving livelihoods, ensuring service accessibility, and reducing dependence on imported fossil fuels, which currently pose significant economic and environmental challenges. Moreover, energy accounts for the largest share of GHG emissions in FSM, making it a priority focus area for mitigation. Within the energy sector, two subsectors are particularly critical: Electricity and Transport.

5.1.1 Electricity

The electricity sector is the largest source of GHG emissions in FSM, primarily due to the country's reliance on imported petroleum fuels for power generation. Annual spending on diesel imports amounts to around US\$50 million, constituting about ~15% of GDP and creating both climate and economic vulnerabilities. Diesel is responsible for almost 80% of FSM's CO₂ emissions³⁰, underscoring the urgent need for a transition to sustainable alternatives.

FSM possesses useful renewable energy potential, particularly solar, wind, and hydro resources. However, the deployment of these resources has been constrained by high upfront costs and limited grid infrastructure and capacity. The inclusion of electricity in this NDC underscores its critical role in mitigation, its potential to strengthen energy security and resilience, and its alignment with FSM's long-term net-zero vision.

As of 2024, electricity generation in FSM continues to be dominated by diesel-powered generators, which provided about 31 MW of installed capacity. Renewable sources accounted for 17% of total capacity, with solar providing 4.65 MW, wind 0.84 MW and hydro 0.72 MW³¹. These renewable systems serve mostly the main islands with the exception of mini grids in Yap state's outer islands. Although there has been gradual progress in the development of solar PV systems, the expansion of energy storage has

³⁰ Updated nationally determined contribution of the Federated States of Micronesia for the period through 2030. Available at https://unfccc.int/sites/default/files/NDC/2022-

^{10/}Updated NDC of the Federated States of Micronesia.pdf

³¹ National Energy Policy 2024-2050. Available at https://spccfpstore1.blob.core.windows.net/digitallibrary-docs/files/a0/a0378964a479f3f1a6fb9929e08c4f3c.pdf?sv=2015-12-11

not consistently matched this growth.

FSM's grid infrastructure remains independent of the main island grid, with each state—Yap, Chuuk, Pohnpei, and Kosrae operating standalone, small-scale networks. This structure restricts economies of scale and complicates renewable energy integration. Electrification rates vary considerably: while national household access reached 97% in 2024, Chuuk stood at 42.8% (only 2 out of the 40 islands are currently electrified) compared to 96–97% in Pohnpei and Kosrae and 85% in Yap³¹. Expansion of grid connectivity remains a priority, with Chuuk targeting universal access by 2035.

Energy efficiency also remains an area of opportunity. Plant Utilization Factors (PUF) for diesel generators vary a lot with 56% in Pohnpei, 15% in Yap, 23% in Chuuk and 30% in Kosrae in 2024, reflecting underuse and the high operating costs of small-scale systems. Currently, there is an energy efficiency policy only in Yap under the Yap Building Code, 1997 but DoRD is working on a National Energy Efficiency Policy and Minimum Energy Performance Standards. DoRD envisages to have this policy endorsed in early 2026. The targeted efforts under the Micronesia Public Sector Buildings Energy Efficiency (MPSBEE) Project (2021) have introduced energy conservation and efficiency practices in public facilities.

MEASURES

Table 1: Mitigation Priority Area – Electricity

#	Measures	Conditionality	SDG Goals
М1	Increase Renewable energy mix in electricity generation at grid level to 70% by 2030 and 80% by 2035	Conditional	7 AFFORDABLE AND CLEAN ENERGY
M2	Increase electricity access to 100% by 2035	Conditional	- O -
M3	 Improve energy efficiency across supply and demand systems: M3.1: Develop and enforce MEPS for commonly used electrical equipment and appliances (Ex. ACs, Fans, Lighting, Motors, others) M3.2: Reduce T&D losses to below 10% by 2030 and below 8% by 2035 M3.3: Improve energy efficiency (EE) in commercial facilities like water and wastewater handling facilities M3.4: Increase awareness on EE and drive financing innovations and support for increased adoption across stakeholders 	Conditional	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES

M4	Increase Distributed Renewable Energy (DRE)	Conditional		
	production and use to:			
	 M4.1: Households and communities in main 			
	and outer islands			
	 M4.2: Water and Waste-Water Utilities 			
	 M4.3: On-shore port electrification and 			
	auxiliary supply to ships			
			i	1

FSM's planned measures in the electricity sector can deliver transformative outcomes. By raising the renewable energy share to 70% by 2030 and 80% by 2035, while simultaneously reducing transmission losses and enhancing energy efficiency, the country can significantly diminish reliance on diesel generation. This plan includes expanding renewable capacity to about 54 MW, most of which would be solar, by 2035, which is in line with the Energy Master Plan. Implementing these actions can avoid the use of more than ~18 million gallons of diesel for electricity generation between 2026–2030 and a further ~28 million gallons between 2031–2035. Collectively, these measures could result in a reduction of approximately 208 ktCO₂ from 2026 to 2030, representing a 66% reduction compared to Business-as-Usual in 2030, and about 324 ktCO₂ from 2031 to 2035, or roughly a 76% reduction compared to Business-as-Usual in 2035. Reducing the use of diesel fuel or improving fuel efficiency also contributes to lowering emissions of black carbon, a short-lived climate pollutant with significant climate and health impacts. Achieving these outcomes will require sustained international support, increased climate finance, and access to the necessary technologies and capacity.

The energy sector is guided by the National Energy Policy 2024–2050, Energy Master Plan 2018, and state-level SMART plans. Current donor-supported projects include the ADB's Renewable Energy Development Project (REDP), Clean Energy Project, and Climate Resilience Energy and Water Sector (CREWS) Project; World Bank's Access and Renewable Increase for Sustainable Energy (ARISE) and Sustainable Energy Development and Access Project (SEDAP) projects, the EU-funded FSM Sustainable Energy Project (FSM.SE), and some state-level SMART plan. These existing initiatives aimed at advancing renewable penetration, expanding access, and modernizing FSM's power sector will require a lot more investments for meeting NDC 3.0 electricity measures. The adoption of renewable energy and energy efficiency programs can also enhance FSM's tourism sector, reducing reliance on diesel, lowering operational costs for resorts and services, and promoting the image of FSM as a sustainable and eco-friendly destination.

5.1.2 Transport

Transport is essential to FSM's mobility, trade, and connectivity, linking communities across a widely dispersed island geography. The sector supports economic activity through road, sea, and air transport; however, it also significantly contributes to national fuel demand and associated emissions, as it relies on imported petroleum products. Recognizing its importance, transport related mitigation is included in NDC 3.0 for the first time, ensuring that mobility and connectivity needs are addressed in tandem with climate commitment.

FSM has a road network of 388 km, of which 185 km are paved, and 203 km are unpaved. As of 2020, there were approximately 11,014 registered vehicles, predominantly private and second-hand imports. The vehicle fleet is generally older and fuel-intensive³² and there are currently no national standards for fuels, fuel efficiency and vehicle inspections.

Marine transport is vital for inter-island mobility and trade, with 38 cargo ships over 1,000 gross tons³² operating within FSM. The main ports are Colonia (Yap), Lele Harbor (Chuuk), Moen Harbor (Pohnpei), and Pohnpei Harbor that handle both cargo and passenger traffic. Air transport is equally important with international airports in Chuuk, Pohnpei, Kosrae, and Yap providing essential links to the region and beyond.

At present, the transport sector is entirely dependent on imported petroleum fuels, with no adoption of electric vehicles (EVs) or alternative fuels. Since about 85% of FSM's electricity generation still comes from diesel, the electrification³¹ of transport will only reduce emissions effectively if is accompanied by an expansion of renewable energy generation. Consequently, planning for EV adoption is closely linked to FSM's renewable energy pathway.

Developing a comprehensive transport strategy is recognized as a priority, with opportunities identified in improving public transport systems, expanding walking and cycling infrastructure, and transitioning to cleaner fuels such as biofuels, which can leverage local biomass resources. These approaches can strengthen connectivity while reducing reliance on imported fossil fuels and improving community well-being.

MEASURES

Table 2: Mitigation Priority Area - Transport

#	Measures	Conditionality	SDG Goals
M5	Develop National Master Transport Plan and associated State Action Plans, integrating land and marine transportation.	Conditional	7 AFFORDABLE AND CLEAN ENERGY
М6	Improve NMT (walkway, bicycling lanes) to allow a more livable urban community	Conditional	- À -
M7	Increase the shift to Public Transportation (PT) buses and ferries	Conditional	11 SUSTAINABLE CITIES AND COMMUNITIES
M8	Transition to electric and clean fuel alternatives for land, sea, and air transportation, including increasing the share of e-Mobility	Conditional	

Note: The sequence of measures follows the Avoid, Shift, Improve approach

In the transport sector, road vehicles and domestic marine vessels are estimated to

³² Initial Environmental Examination, 2021. Available at https://www.adb.org/sites/default/files/linked-documents/55009-001-ieeab.pdf?

consume around 51.6 million gallons of fossil fuels between 2026 and 2030, rising to 56.7 million gallons between 2031 and 2035. Under a Business-as-Usual (BaU) trajectory, this consumption equates to approximately 500 ktCO $_2$ e between 2026–2030 and 550 ktCO $_2$ e in 2031–2035.

The electrification of road and domestic marine transport can begin to reduce these emissions. Without a concurrent shift to renewable energy in the power sector, electrification alone risks shifting emissions from tailpipes to upstream electricity generation. However, when coupled with FSM's planned renewable energy transition, the introduction of electric vehicles can deliver greater long-term benefits by reducing fossil fuel imports, improving air quality, and cutting emissions in line with FSM's net-zero vision.

Transforming FSM's transport sector offers opportunities not only for emissions reduction but also for improving mobility and connectivity across the islands. The measures in this NDC focus on creating more accessible and affordable transport systems, reducing dependence on private vehicles, and ensuring that all communities, urban and outer islands alike, benefit from reliable connections.

5.1.3 Energy - Others

Access to clean, safe, and affordable cooking solutions is an important component of FSM's energy transition with direct implications for public health, gender equality, and emission reduction. Traditional cooking practices in many households rely on biomass or kerosene, contributing to indoor air pollution and disproportionately affecting women and children, particularly in outer islands. Including clean cooking in FSM's NDC ensures that energy access goals are linked to health and social outcomes while reducing reliance on imported fossil fuels.

Clean cooking access remains limited in FSM, especially in rural and outer island communities, where households rely on firewood and kerosene as cooking fuels. The 2016 Agriculture Census confirmed widespread use of biomass for household needs, often without efficient stoves. Although LPG/butane stoves are increasingly used in urban centers, their uptake in outer islands is hindered by affordability, supply chain constraints, and lack of awareness.

MEASURES

Table 3: Mitigation Priority Area – Energy - Others (Cooking)

#	Measures	Conditionality	SDG Goals
M	Increase clean cooking adoption using biogas, electric stove, and other clean options to 70% by 2035	Conditional	7 AFFORDABLE AND CLEAN ENERGY

Expanding access to clean cooking can deliver triple benefits: improved health by reducing household air pollution, gender empowerment through women's engagement in the clean energy value chain, and climate mitigation by reducing reliance on kerosene and inefficient biomass. The measures outlined are fully aligned with the National Energy Policy 2024–2050 and contribute to FSM's broader SDG commitments, particularly SDG 7 (universal energy access). However, there is no national program yet that ensures universal adoption and achieving 100% access to clean cooking by 2035 will require scaled-up investment, stronger supply chains, and targeted gender-sensitive programming.

5.2 Waste

The waste sector is increasingly prioritized in FSM's climate agenda due to its contribution to national greenhouse gas emissions, primarily methane from unmanaged landfills and nitrous oxide from wastewater. In 2018, the sector generated 27.24 ktons of CO_2e^{15} . making it one of the key non-energy sources of emissions. FSM's dispersed island geography and reliance on imported goods, particularly plastics and packaging, have amplified the volume and complexity of waste streams. Limited landfill space, alongside challenges in collection and treatment, creates significant risks for public health, coastal ecosystems, and marine biodiversity.

FSM's waste infrastructure remains small in scale, with each state operating a single landfill of varying sizes. Pohnpei's Dekehtik landfill, is the largest at 4 hectares, handles approximately 7,000 tons of waste annually. In contrast, the landfills in Yap (0.83 ha), Chuuk (0.5 ha), and Kosrae (0.6 ha) are much smaller. Collectively, these landfills manage around 13,000 tons of waste each year³³. Waste collection practices vary by state: Pohnpei and Chuuk employ a combination of municipal collection and direct transport, while Yap and Kosrae report much lower collection volumes due to limited capacity. Rehabilitation of Chuuk's landfill is currently underway, as the old landfill is full and contains a significant amount of mixed waste that was dumped without proper sorting practices.

In practice, waste streams are dominated by organics and plastics, with organics contributing significantly to landfill methane emissions. However, the fraction of organic waste is relatively small compared to other developing countries with similar economic level because of this feeding habit. Biowaste is often fed to piggeries, while composting practice are scarce and primarily limited to the household level. Progress has been made through initiatives such as the Plastic Ban Policy, which has been enforced in several states, and the long-standing Container Deposit Legislation (CDL) scheme that incentivizes recycling of aluminum cans, PET bottles, and glass. However, the aluminum recycling facility in Chuuk is currently facing issue due to not getting consistent power supply.

³³ Waste Audit Report, 2021. Available at https://www.sprep.org/sites/default/files/POLP/FSM-Waste-Audit-Report.pdf

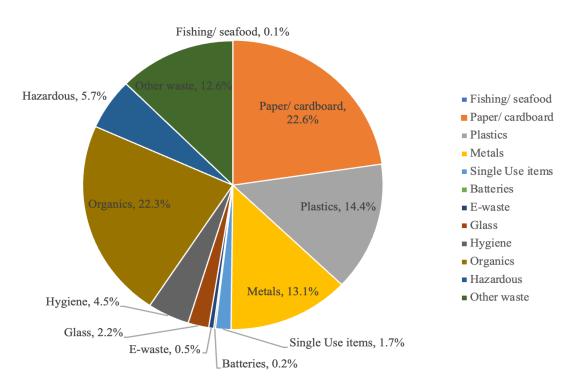


Figure 5: Municipal Solid Waste Composition by Weight (2021)³³

MEASURES

Table 4: Mitigation Priority Area - Waste

#	Measures	Conditionality	SDG Goals
M10	 Develop policy on circular economy with a particular focus on waste reduction: M10.1: Enhance the implementation of policy and regulation on banning Single Use Plastic by 2030 M10.2: Develop metal bailing and compacting facilities for scrap cars, fuel canisters, aluminum cans, and others for forward recycling M10.3: Install new incinerators to better handle bio-hazardous and medical waste 	Conditional	
M11	 Improve landfill site management and divert organic waste from landfill sites M11.1: Promote composting practices at household level M11.2: Develop community composting and mulching facilities across all states M11.3: Improve operational and monitoring capacity for the semi-aerobic and controlled landfill site management 	Conditional	

M12 Improve municipal solid waste and waste-water collection and treatment systems for reduced Methane release ■ M12.1: Conduct a pilot of a decentralized wastewater treatment systems. ■ M12.2: Promote anaerobic biodigesters for households and piggeries by involving private sector to treat wastewater and produce biogas for clean cooking (and electricity generation) 11 SISTAIMABLE CITIES AND PRODUCTION AN

With the identified measures fully resourced, FSM can achieve a methane reduction target of 12% below 2020 levels. This translates to an avoidance of approximately 30 ktCO $_2$ e between 2026–2030 and an additional 47 ktCO $_2$ e between 2031-2035. This will be achieved by reducing waste generation by 10% and improving the landfill site operation and monitoring. Once more accurate data is collected from wastewater sector, the reduction is estimated to be larger.

By improving waste management, FSM can reduce emissions while enhancing community resilience, ocean health, and the transition toward a circular economy. Strengthening waste management through new landfills, recycling programs, proper operation and monitoring and composting systems will reduce pollution and greenhouse gas emissions while creating multiple social and economic benefits. Improved waste handling enhances public health by lowering disease risks, protects marine ecosystems vital for fisheries and tourism, and generates jobs in recycling and composting sectors. Composting and mulching in particular supports food security by improving soil fertility and reducing dependence on imported fertilizers, linking waste management directly to sustainable agriculture and livelihoods.

The IDPs (2025–2034) and Methane Reduction Roadmap (2025) include projects for improved solid waste management systems, including expanded collection, landfill upgrades with proper operation, recycling, and organic waste management through composting and mulching which reduce pollution, climate impact and enhance public health outcomes.

5.3 Agriculture, Forestry and Other Land Use (AFOLU)

The AFOLU sector is pivotal to FSM's climate strategy. While agriculture and small-scale livestock contribute only modest emissions, FSM's extensive forests, agroforests, and especially mangrove ecosystems serve as critical carbon sinks. This sector is essential for food security, biodiversity conservation, and community resilience. Given ongoing pressures from deforestation, invasive species, and climate impacts such as saltwater intrusion and storms, including the AFOLU sector in NDC 3.0 supports both mitigation and adaptation goals through an integrated, ecosystem-based approach.

Based on the 2016 Integrated Agriculture Census, over 90% of households in FSM reported access to land for agriculture purposes, with 74% cultivating solely for household consumption, focusing on root crops like taro, yam, breadfruit, bananas, and coconut. Tree crops and agroforestry dominate land use, comprising up to 80% of agricultural landscapes³⁴.

Forests cover a substantial portion of FSM, with mangrove forests spanning approximately 94 km² across all four states. Pohnpei contains around 57 km², followed by Kosrae (14 km²), Chuuk (12 km²), and Yap (11 km²). Mangroves not only serve as carbon sinks but also protect shorelines, stabilize sediments, and function as essential fish nurseries, thereby supporting both ecosystem health and coastal resilience³⁵.

Livestock ownership is widespread, with approximately 61% of households owning livestock as of 2016, amounting to 29,900 pigs and 70,800 chickens³⁰. These livestock contribute to methane and nitrous oxide emissions through enteric fermentation and manure management. While fertilizer use is minimal, traditional shifting cultivation and organic matter decomposition also contribute to small-scale nitrous oxide releases.

MEASURES

Table 5: Mitigation Priority Area – AFOLU

#	Measures	Conditionality	SDG Goals
M13	Develop Integrated Land Management Plan and associated State Action Plans	Conditional	
M14	Increase forest conservation and restoration to increase the forest cover	Conditional	

https://www.fao.org/fileadmin/templates/ess/ess test folder/World Census Agriculture/WCA 2020/WCA 2020 new doc/FSM_REP_ENG_2016_2017.pdf

³⁴ FSM Integrated Agricultural Census 2016. Available at

³⁵ The Federated States of Micronesia National Biodiversity Strategy and Action Plan. Available at https://faolex.fao.org/docs/pdf/mic214260.pdf

M15	Reduce methane release from agriculture through enhanced livestock productivity and utilization of organic fertilizers made from composting	Conditional	2 ZERO HUNGER
			15 UFE ON LAND

These measures align with the FSM Agriculture Policy Framework (2021–2030), the Nationwide Integrated Disaster Risk Management and Climate Change Policy, and state-level resource management and agroforestry programs. FSM has established several policy frameworks and projects to guide the development and conservation of the AFOLU sector. These include the National Biodiversity Strategy and Action Plan (NBSAP 2018–2023), the National Agriculture Policy (2012–2016, with follow-up programming), and the FSM Forestry Policy.

Ongoing projects supported by partners such as Secretariat of the Pacific Regional Environment Programme (SPREP), Food and Agriculture Organization of the United Nations (FAO), and the Micronesia Conservation Trust (MCT) focus on sustainable agriculture, mangrove restoration, and invasive species management.

Projects identified in the IDPs (2025-2034) also encompass projects aligned with these measures including agroforestry, aquaculture, coastal protection, and agricultural facilities. These efforts aim to strengthen food systems while restoring ecosystems and carbon sinks.

5.4 Industrial Process and Product Use (IPPU)

In addition to CO_2 and methane emissions, FSM faces challenges from short-lived climate pollutants (SLCPs) such as black carbon and hydrofluorocarbons (HFCs), as well as air and marine pollution stemming from plastics and hazardous waste. These pollutants not only contribute to near-term climate warming but also adversely affect human health, food security, and marine ecosystems – key components of FSM's livelihoods. Addressing these issues through integrated pollution control policies strengthens FSM's climate action while delivering co-benefits for communities and the environment.

MEASURES

Table 6: Mitigation Priority Area – IPPU

#	Measures	Conditionality	SDG Goals
M16	Reduced HFCs use and leakages by aligning with the Kigali Amendment and attaining a 10% reduction in HFCs by 2029 and 30% reduction by 2035	Conditional	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

FSM has limited industrial processes but relies on imported refrigerants, particularly hydrofluorocarbons (HFCs), for refrigeration and air conditioning in households, fisheries, and commercial facilities. While overall volumes are small, HFCs are potent greenhouse gases and a growing source of emissions. As a party to the Kigali Amendment to the Montreal Protocol, FSM is committed to phasing down HFC consumption in line with international obligations. Currently, data on HFC use are primarily gathered from customs and Ozone Secretariat's reporting. Enhanced monitoring and enforcement measures are needed to establish a robust national baseline and facilitate the transition to alternatives with lower global warming potential.

While the IDPs for 2025-2034 focus less on industrial processes, they note the importance of phasing down high-global warming potential refrigerants in alignment with the Kigali Amendment and establishing systems to manage future industrial emissions effectively.

6. ADAPTATION

FSM faces significant risks from sea-level rise, saltwater intrusion into freshwater lenses, increased intensity of tropical storms, coastal erosion, and shifts in rainfall patterns. These challenges directly threaten livelihoods, food security, freshwater availability, health, and critical infrastructure. To effectively address these interconnected risks across food security, water, oceans and biodiversity, public health, climate-resilient infrastructure, and disaster risk management, FSM requires integrated adaptation approaches.

Although FSM has adopted ecosystem-based adaptation policies, limited financing – meeting only 25% of identified needs – and insufficient technical capacity hinder their implementation³⁶. This NDC 3.0 emphasizes measures designed to strengthen local food systems, secure water supplies, protect marine and terrestrial biodiversity, and ensure that infrastructure can withstand climate shocks, all while integrating diverse state-level measures into a coherent national framework.

6.1 Food

Subsistence farming and fishing are primary sources of food in FSM. Key crops include taro, breadfruit, yam, banana, and coconuts, while coastal and offshore fisheries provide essential protein. Although coconut palms are no longer the dominant cash crop, they remain resilient due to their versatile uses for food, oil, fuel, and handicrafts. Livestock such as pigs and poultry are raised at household level.

Despite these resources, food security has deteriorated over the past few decades as local agricultural production per capita has declined. Productivity is hampered by pests and poor soil conditions, and traditional seed stocks are at risk. Additionally, coconut production has fallen due to aging trees and diminished farmer interest, while aquaculture remains underdeveloped due to limited technical knowledge, inputs, and finance. Fragmented islands complicate market access, and inadequate storage and processing facilities weaken the link between producers and buyers.

FSM's heavy reliance on exacerbates vulnerability to global supply disruptions and rising costs. In 2023, the country imported over US\$13 million worth³⁷ of poultry meat, processed fish, and other meat products, which also contributes to increased maritime shipping emissions. Climate-induced extremes have further compounded food security issue, with prolonged droughts in Pohnpei and Kosrae and typhoons in Chuuk and Yap, repeatedly devastated crops and water supplies. Destructive fishing practices undermine marine resources.

³⁶ FSM Second Voluntary National Review 2 2. 5. Available at https://img1.wsimg.com/blobby/go/03465d55-d45f-4daf-a19f-

<u>877991a60874/10076 UN FSM VNR 2025 V15 LR.pdf?fbclid=lwZXh0bgNhZW0CMTAAYnJpZBExZ3MwS3hDSUJyY3d</u> <u>pYk4zTgEePaIH0RW9tLwE mYMwljQMhCKpfwuk7V2XR8PnlA41cWysX15J 8I2uzmFxo aem qvwF1K0FWfleAHomn2z vQg</u>

³⁷ Observatory of Economic Complexity (OEC). Available at https://oec.world/en/profile/country/fsm

MEASURES

Table 7: Adaptation Priority Area – Food

#	Measures	Conditionality	SDG Goals
A1	Protect land & water to reduce saltwater intrusion, erosion, and flood risk: • A1.1: Construct coastal barriers using bunds, walls, or mangrove plantations • A1.2: Restore watershed areas for the protection of freshwater lenses	Unconditional	2 ZERO HUNGER SSSS 3 GOOD HEALTH AND WELL-BEING
A2	 Adopt climate-resilient farming to improve crop tolerance to heat, storms, and pests: A2.1: Diversify crops with climate-resilient varieties and using agroforestry systems A2.2: Apply mulching and organic soil amendments A2.3: Develop integrated pest and disease management practices 	Unconditional	8 DECENT WORK AND ECONOMIC GROWTH
A3	Secure seed & livestock resources to ensure rapid recovery after climate shocks: • A3.1: Establish community nurseries • A3.2: Operate decentralized seed banks • A3.3: Develop and manage broodstock for livestock	Conditional	13 CLIMATE ACTION 14 LIFE BELOW WATER
A4	Enhance water security to sustain farming during droughts and dry spells: • A4.1: Install rainwater harvesting systems • A4.2: Deploy low-cost micro-reservoirs for irrigation	Conditional	15 LIFE ON LAND
A5	Scale sustainable aquaculture while preserving reefs by operating hatchery-based aquaculture for clams, sandfish, and other species	Conditional	17 PARTNERSHIPS
A6	Strengthen food value chains to produce more (for local consumption and exports), minimize post-harvest loss, grow market linkages, and increase farmer income	Conditional	For the cooks
A7	Enable monitoring systems, policies, finance, and capacity building to unlock climate-smart agriculture investment by enhancing farmers' cooperatives	Conditional	
A8	Prevent and manage invasive species (IS) to protect croplands	Conditional	

The measures outlined in this NDC 3.0 aim to collectively strengthen FSM's food security by protecting the natural resource base and increasing the resilience of farming systems. Coastal barriers, watershed restoration, and invasive species management will mitigate

saltwater intrusion, erosion, and biodiversity loss, thereby preserving arable land and freshwater for agriculture. Climate-resilient farming practices, crop diversification, and soil management are expected to enhance yields and reduce vulnerability to storms, heat, and pests. Community nurseries, decentralized seed banks, and livestock broodstock will ensure that farmers can quickly recover production after disasters. Rainwater harvesting and micro-reservoirs provide critical buffers against drought, while hatchery-based aquaculture offers alternative protein sources without overexploiting marine reefs.

The NDC 3.0 sets ambitious goals to increase FSM's food resilience and has some ongoing projects aligned with the measures However, financing remains limited with a 50% decline in donor funding, and support systems for farmers are still weak³⁸. The FSM Strategic Development Plan 2024-2043 emphasises the need for increased resource availability and capacity development for aquaculture and small-scale fisheries, as well as community workshops and trainings in agriculture and fishing.

The National Biodiversity Strategy & Action Plan (NBSAP) and the FSM Agriculture Policy (2012–2016) emphasize on creating and maintaining state seed banks and collaborating with farmers' associations to enhance market access. To strengthen land and water protection, FSM is leveraging the PACMAN mangrove monitoring network and the FSM Forest Action Plan 2020–2030 for watershed restoration, nursery support, and mangrove resilience. The National Invasive Species Strategy & Action Plan (NISSAP) provides guidance on biosecurity, and ongoing invasive species programs have already yielded positive outcomes for FSM, particularly in Chuuk.

6.2 Water

FSM relies on rainwater, surface water, and ground water for freshwater supply. The low-lying islands depend almost entirely on rainwater and shallow wells, as public water supplies are non-existent and groundwater from water lenses are unsuitable for drinking. In contrast, the high islands access aquifers and deeper wells. While desalination is not routinely used, it serves as an emergency measure for outer islands during droughts. Water distribution utilities across FSM operates independently, with limited oversight by the state Environmental Protection Agencies (EPA). Some older communities lack distribution lines, while newer homes are typically connected to these systems.

 Yap promotes private rainwater tanks for households without access to alternative sources of water and provides them with free water quality testing kits.
 Most communities have implemented measures to protect watersheds. In 2023–

³⁸ Federated States of Micronesia Second Voluntary National Review 2 25. Available At <a href="https://img1.wsimg.com/blobby/go/03465d55-d45f-4daf-a19f-877991a60874/10076_UN_FSM_VNR_2025_V15_LR.pdf?fbclid=lwZXh0bgNhZW0CMTAAYnJpZBExZ3MwS3hDSUJyY3dpYk4zTgEePalH0RW9tLwE_mYMwljQMhCKpfwuk7V2XR8PnlA41cWysX15J_8l2uzmFxo_aem_qvwF1K0FWfleAHomn2zyQg

2024, Yap expanded its dam and surface-water capacity and has access to drinking water from wells.

- Kosrae conducts water testing in catchment areas to ensure water quality.
- In Chuuk, Weno Island is the only island with access to drinking water supplied by Chuuk Public Utility Corporation, serving approximately 8% of households³⁹.
- The Pohnpei Utilities Corporation has a much broader reach, servicing 96% of the population with drinking water⁴⁰.

Water security in FSM is likely to become an increasingly difficult challenge in the context of climate change. This includes risks from flooding and marine inundation, saltwater intrusion into freshwater lenses, and El Niño-related droughts affecting area like Yap and western Chuuk. Human pressures such as over-pumping of groundwater leading to salinization, contamination from inadequate sanitation systems in rural areas, poor managed catchment and storage facilities, proximity of piggeries to water sources, industrial demand from fish processing in Pohnpei, and unsustainable agricultural practices further strain resources. Limited technical capacity and data gaps hinder effective planning, underscoring the need for climate-smart infrastructure, including stronger watershed management, scaled wastewater treatment, and the development of additional groundwater and surface-water sources.

MEASURES

Table 8: Adaptation Priority Area - Water

#	Measures	Conditionality	SDG Goals
A9	 Increase clean drinking water access to 100% by 2035 A9.1: Repair, maintain and expand water distribution system for unserved and underserved communities A9.2: Install water purification systems in underserved areas (including solar-powered water purification systems for dispensaries) 	Conditional	
A10	 Improve management and protection of watersheds A10.1: Conserve and protect different water sources (increase monitoring, strengthen regulations, and improve education and public awareness) A10.2: Install community/ household rainwater harvesting systems 	Conditional	

³⁹ Micronesia Project Notice - Preparing the Chuuk Water Supply and Sanitation Project. Available At https://www.Biddetail.com/Projects/Project-Information/38842

⁴⁰ Pohnpei Utilities Corporation (A Component Unit of The State of Pohnpei) - Financial Statements, Additional Information and Independent Auditor's Report - Year Ended September 30, 2022. Available at https://www.fsmopa.fm/files/FY2024/2022%20PUC%20Final%20Report.pdf

A11 /	Add new fresh grou	nd and	d surface v	water sources	Conditional	3 GOOD HEALTH AND WELL-BEING
	Repair, maintain treatment systems	and	expand	waste-water	Conditional	3 and well-bring Clean water and sanitation 13 climate action 17 Partnerships for the goals

The above-mentioned measures aim to significantly strengthen FSM's water security by expanding reliable access, protecting freshwater sources, and ensuring safe management of wastewater. Repairing and extending distribution systems will help achieve universal access to clean drinking water, while improved watershed protection will preserve freshwater lenses and reduce contamination risks. Rainwater harvesting systems will create additional buffers during droughts and developing new freshwater sources will diversify supply, reducing dependence on vulnerable single systems. Upgrading wastewater treatment safeguards public health and ecosystems, preventing pollution of scarce freshwater resources and coastal areas. Together, these interventions build a resilient and inclusive water sector in FSM.

The FSM SDP (2024-2043) prioritizes improvements to rural community water systems through water catchment system upgrades and efficient use of water lenses. Additionally, FSM's state-specific SMART plans on water security focus on refurbishing and extending existing networks like in Chuuk's outer islands, while improving water quality and infrastructure through assessments and mapping in Pohnpei and Yap. These actions align with the overarching goal of providing universal access to clean drinking water by upgrading infrastructure and expanding service to underserved communities, adding new freshwater sources; and repairing and expanding waste-water treatment systems.

6.3 Biodiversity

FSM is a globally significant biodiversity hotspot, boasting a high species richness with 1,239 plant species across its marine and terrestrial ecosystems.⁴¹ Biodiversity underpins

⁴¹ Micronesia. National Communication (NC). NC 3. Biennial Update Report (BUR). BUR 1. Available at

FSM's culture, livelihoods, climate resilience, and food security. Currently, over 30% of marine areas and 20% of terrestrial ecosystems in FSM are under formal protection⁴².

The country maintains over 50 protected sites with current coverage at approximately 6.4% of marine and 14.6% of terrestrial ecosystems. Forests are particularly critical for conservation and restoration efforts. Under Forest Conservation and Restoration initiative, FSM's forests, including the unique Yela Valley Ka Forest, contribute to watershed health, climate resilience, and habitat for endemic biodiversity. Main threats to FSM's terrestrial biodiversity include habitat conversion and unsustainable land use practices, limited resources and technical capacity for ecosystem management, and climate change impacts such as storms and changing rainfall patterns.

MEASURES

Table 9: Adaptation Priority Area – Biodiversity

#	Measures	Conditionality	SDG Goals
A13	Protect and restore mangroves and coastal vegetation to provide natural coastal defense	Unconditional	1 NO POVERTY T
A14	Conserve terrestrial forests and wetlands by managing 30% terrestrial resources by 2035	Unconditional	8 DECENT WORK AND ECONOMIC GROWTH
A15	 Expand and manage protected areas (PAs) to conserve key species and habitats A15.1: Assess, update and register PAs (leveraging GIS maps) A15.2: Undertake enforcement and community outreach programs 	Conditional	13 CLIMATE ACTION
A16	Promote sustainable land use and ecosystem-based adaptation by developing/updating Integrated Land Management Plans and Shoreline Development Plans	Conditional	15 LIFE ON LAND 17 PARTNERSHIPS FOR THE GOALS

<u>Https://Unfccc.Int/Sites/Default/Files/Resource/Nc3%20bur1%20micronesia%20unfccc.Pdf</u>

⁴² Federated States of Micronesia Second Voluntary National Review 2 25. Available At https://img1.wsimg.com/blobby/go/03465d55-d45f-4daf-a19f-

⁸⁷⁷⁹⁹¹a60874/10076_UN_FSM_VNR_2025_V15_LR.pdf?fbclid=lwZXh0bgNhZW0CMTAAYnJpZBExZ3MwS3hDSUJyY3d pYk4zTgEePalH0RW9tLwE_mYMwljQMhCKpfwuk7V2XR8PnlA41cWysX15J_8l2uzmFxo_aem_qvwF1K0FWfleAHomn2z yQg

The measures proposed in this NDC 3.0 aim to deliver significant positive outcomes for FSM's biodiversity and land resilience by integrating ecosystem protection with sustainable land management practices. Restoring mangroves and coastal vegetation will strengthen natural coastal defenses, reduce erosion, storm surge damage, and saltwater intrusion while sustaining nearshore fisheries. Expanding and effectively managing protected areas will ensure the conservation of key species and ecosystems, promoting local stewardship.

The commitment to effectively manage 30% of terrestrial resources by 2035 aligns with the Micronesia Challenge. At the state level, Kosrae's SMART Plan recognizes that achieving this goal requires clear measurement and monitoring systems, highlighting the need to develop mechanisms to evaluate terrestrial resource management. This goal also aligns with the National Biodiversity Strategy and Action Plan (NBSAP). Complementing this is the FSM Forest Action Plan (2020–2030) that outlines strategic actions on forest management and biodiversity protection in upland and terrestrial areas. Land-based measures are further supported by integrated planning efforts, such as Kosrae's KLUP land allocation and zoning plan and Mutunlik Shoreline Coastal Protection Plan, as well as the national-level "Securing Climate-Resilient Sustainable Land Management and progress towards Land Degradation Neutrality (LDN)

The Protected Areas Network Policy Framework (PANPF) strengthens terrestrial biodiversity management by coordinating terrestrial sites both at the national and state levels. State-specific actions include Kosrae's use of geographic information systems (GIS) to update protected area maps and develop management plans and community engagement activities across states to elevate awareness of terrestrial conservation. The importance of mangroves as carbon reservoirs has been recognized in the Paris Agreement, prompting FSM states to enact laws and regulations aimed at the protection and conservation of mangroves over time.

6.4 Ocean

The ocean constitutes more than 99.9% of FSM's territory and represents the country's most valuable economic resource. FSM has the 14th largest Exclusive Economic Zone (EEZ) globally with a total ocean area of approximately 3 million square kilometers despite its small landmass⁴³. Marine Protected Areas (MPA) have expanded to cover 28% of FSM's EEZ⁴⁴. The region's coral reefs are home to a rich diversity of marine life, including 1,221 fish species and 472 corals species, which are vital for ecosystem health and livelihoods⁴⁵

⁴³ FEDERATED STATES OF MICRONESIA - Nearshore marine resources across the atolls of the Federated States of Micronesia. Available at https://www.uog.edu/resources/files/news-and-announcements/2024-2025/Preliminary-report-FSM-corals.pdf

⁴⁴ FEDERATED STATES OF MICRONESIA Second Voluntary National Review 2 25. Available at https://img1.wsimg.com/blobby/go/03465d55-d45f-4daf-a19f-877991a60874/10076_UN_FSM_VNR_2025_V15_LR.pdf?fbclid=lwZXh0bgNhZW0CMTAAYnJpZBExZ3MwS3hDSUJyY3d https://img1.wsimg.com/blobby/go/03465d55-d45f-4daf-a19f-877991a60874/10076_UN_FSM_VNR_2025_V15_LR.pdf?fbclid=lwZXh0bgNhZW0CMTAAYnJpZBExZ3MwS3hDSUJyY3d https://img1.wsimg.com/blobby/go/03465d55-d45f-4daf-a19f-877991a60874/10076_UN_FSM_VNR_2025_V15_LR.pdf?fbclid=lwZXh0bgNhZW0CMTAAYnJpZBExZ3MwS3hDSUJyY3d https://img1.msimg.com/blobby/go/03465d55-d45f-4daf-a19f-877991a60874/10076_UN_FSM_VNR_2025_V15_LR.pdf?fbclid=lwZXh0bgNhZW0CMTAAYnJpZBExZ3MwS3hDSUJyY3d https://img1.msimg.com/pyth4zTgEePaIH0RW9tLwE_myMwljQMhCKpfwuk7V2XR8PnlA41cWysX15J_8l2uzmFxo_aem_qvwF1K0FWfleaHomn2zyQg

⁴⁵ Micronesia. National Communication (NC). NC 3. Biennial Update Report (BUR). BUR 1. Available at

of local communities. However, there are persistent gaps with marine data and a concerning decline in coral reef health.

Key threats to ocean ecosystems include overexploitation of coastal and nearshore fisheries, illegal, unreported, and unregulated (IUU) fishing of tuna stocks, and the use of conventional fishing gears and unsustainable fishing practices. Climate change poses critical challenges, particularly through ocean warming, sea-level rise, and acidification. In response to these threats, climate change adaptation has become a key pillar of FSM's integrated ocean management strategy.

MEASURES

Table 10: Adaptation Priority Area – Ocean

#	Measures	Conditionality	SDG Goals
A17	Manage tuna and high-seas resources to sustain national revenue and ocean health by incorporating: • A17.1: 100% of purse seine vessels in FSM EEZ using non-entangling, biodegradable FADs by 2035 • A17.2: 100% of FSM-flagged longline vessels covered by electronic monitoring by 2035	Conditional	
A18	 Restore, manage and protect more than 50% of coastal marine habitats like coral reefs to sustain nearshore fisheries by 2035 A18.1: Establish coral reef monitoring and restoration programs A18.2: Integrate reef resilience strategies into coastal management A18.3: Implement community-based management for reef areas A18.4: Restore degraded seagrass beds and coastal wetlands through replanting and community programs A18.5: Expand monitoring of seagrass and wetland health to track carbon sequestration 	Conditional	8 DECENT WORK AND ECONOMIC GROWTH 9 Industry, innovation and infrustructure
A19	Strengthen sustainable management of 50% marine resources and restrict commercial fishing in 30% of marine areas by 2035 • A19.1: Evaluate resource management of marine ecosystems • A19.2: Strengthen and add marine Protected Area (PA) systems	Conditional	
A20	Develop blue economy activities to diversify ocean-	Conditional	

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	derived income through:		
	 A20.1: Value-added processing (purse seine 		
	by-products)		
	 A20.2: Pilot sustainable mariculture and 		
	seaweed/pearl value chains where		
	ecologically suitable		
A21	Strengthen marine governance, surveillance & data	Conditional	
	systems in 30% of marine waters by 2035:		
	A21.1: Expand VMS/monitoring and		
	community-based surveillance		
	A22.2: Improve national ocean data systems		
	and mapping		
	A22.3: Develop Marine Spatial Plans (MSPs) at		
	state and national levels		
	A22.4: Build capacity for enforcement and		
	monitoring in partnership with BPM and		12 Responsible
	Micronesia Challenge		and production
422	Duetost and magnitude magning account on a fund	C = = = = = = = = = = = = = = = = = = =	\sim
A22	Protect and monitor marine ecosystems from	Conditional	GO
	acidification by establishing long-term ocean		
	acidification monitoring stations and piloting		40 CLIMATE
	adaptive strategies		13 CLIMATE ACTION
A23	Strengthen coastal protection by regulating beach	Conditional	
	sediment removal		
	 A23.1: Establish national and state-level 		-ware
	regulations controlling sand, gravel, and coral		
	aggregate removal from beaches and		14 LIFE BELOW WATER
	nearshore areas		- below water
	 A23.2: Conduct monitoring and enforcement 		
	programs to prevent illegal and		
	unsustainable extraction		
A24	Reduce ocean pollution & support healthy marine	Conditional	
	ecosystems		15 LIFE ON LAND
	• A24.1: Reduce plastic leakage into the ocean		
	by 100% by 2035 through nationwide		
	enforcement of single-use plastics bans and		
	circular economy systems		
	A24.2: Control land-based pollution and		
	runoff into nearshore waters		
	 A24.3: Enforce sustainable disposal of ship 		
	·		
	wastes and fuels		

The proposed measures aim to significantly enhance ocean health, ensure the sustainability of fisheries, and bolster climate resilience while securing long-term economic benefits through diversification of livelihoods and reduction in reliance on imports. Restoring and protecting over 50% of coastal ecosystems such as reefs, seagrass, and wetlands will sustain nearshore fisheries. Expanding marine protected areas and restricting commercial fishing will help conserve critical habitats and replenish stocks. Strengthening marine governance, spatial planning, and surveillance will ensure sustainable use, while monitoring ocean acidification and regulating sediment removal

will protect coastal ecosystems from long-term degradation. Additionally, eliminating plastic pollution and controlling land- and ship-based pollution will contribute to healthier marine ecosystems.

The commitment to effectively manage 50% of marine resources by 2035 aligns with the Micronesia Challenge. Supporting this initiative, the Pacific Regional Oceanscape Program – Economic Recovery/Resilience (PROPER) is now in its second phase, focusing on state-level policies for community-based fisheries, reducing destructive practices, and advancing ecosystem-based management. The Blue Prosperity Micronesia (BPM) program, launched in 2019, aims to protect 30% of FSM's marine waters (approximately897,000 km²). All four states have signed Memorandum of Understanding (MoUs) to support BPM, committing them to activities such as Marine Spatial Planning to ensure sustainable and inclusive use of FSM's extensive ocean resources. Furthermore, FSM is receiving support from the Global Ocean Acidification Observing Network (GOA-ON) and NOAA Ocean Acidification Program (NOAA OAP) to reduce ocean acidification, alongside initiatives at the national and state levels to ban single-use plastic and promote circular economic practices.

The measures for oceanic resource management and developing blue economy activities are considered as key development priorities under the SDP (2024-2043). In support of these priorities, College of Micronesia-FSM (COM-FSM) plans to launch new climate-focused courses in marine science and blue economy. The Electronic Monitoring (EM) Program of FSM, backed by the Nature Conservancy's Tuna Transparency Technology (T-3) Challenge, the Forum Fisheries Agency (FFA), and Secretariat of the Pacific Community (SPC), has advanced fisheries governance, ensuring transparency in tuna fisheries within the FSM EEZ. FSM has also developed a Management Plan for Fish Aggregating Devices (FADs) and led regional efforts to adopt non-entangling FADs. Marine protection efforts are supported by the Protected Areas Network Policy Framework (PANPF), which covers marine sites alongside terrestrial areas. Chuuk has committed to establishing new Marine Protected Areas (MPAs) with strong community engagement in outreach and education.

6.5 Public Health

The public healthcare system in FSM is primarily managed at the state level (Yap, Pohnpei, Chuuk, Kosrae) through a three-tier structure: community dispensaries, state hospitals, and referrals to hospitals abroad. Healthcare delivery is also supported through partnerships with affiliated entities such as US military programs, as outlined in the Compact of Free Association (CFA) treaty⁴⁷. Urban areas are generally better equipped than rural/outer islands, leading to persistent issues in service quality and access for rural communities. Key challenges in the healthcare system include resource limitations and lack of funding, dependence on aid, inconsistent delivery across states, limited

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⁴⁶ Federated States of Micronesia Health Services in Relation to Medical Services. Available at https://www.paclii.org/journals/fJSPL/vol06/3.shtml

⁴⁷ III.E.2.b.v.a. Public and Private Partnerships - Federated States of Micronesia - 2023. Available at https://mchb.tvisdata.hrsa.gov/Narratives/IIF4HealthReform/4cb122c1-e9f3-4e3d-908f-820b070e0577

surveillance infrastructure, shortage of skilled workers, and lack of specialized services.

Climate change is projected to negatively impact public health in FSM, increasing the prevalence of vector-borne diseases (VBD, such as dengue fever, malaria, Zika, and Chikungunya virus, as well as food borne disease (FBD), like Salmonella, E. coli, and Staphylococcus aureus, and waterborne diseases (WBD), including diarrheal pathogens, gastroenteritis and leptospirosis⁴⁸. According to WHO data, the incidence of tuberculosis has also worsened since 2022⁴⁹. Extreme events such as typhoons and floods exacerbate outbreaks and emergencies, highlighting the need for health systems in FSM, at both national and state levels, to adapt to the increased environmental health burdens.

MEASURES

Table 11: Adaptation Priority Area - Public Health

#	Measures	Conditionality	SDG Goals
A25	Establish a laboratory and surveillance system to detect and monitor VBD, WBD, and FBD, to enable rapid response and control of outbreaks	Conditional	3 GOOD HEALTH AND WELL-BEING
A26	Provide medical personnel and public health officials with training in the detection and treatment of VBD, WBD, and FBD	Conditional	13 CLIMATE ACTION
A27	Equip hospitals and other relevant medical facilities to receive and effectively treat patients suffering from VBD, WBD, and FBD	Conditional	17 PARTNERSHIPS FOR THE GOALS

The proposed measures aim to strengthen FSM's public health resilience by improving early detection, preparedness, and treatment capacity for VBD, WBD, and FBD. Establishing a laboratory and surveillance system will enable real-time monitoring, rapid response, and control of outbreaks, thereby reducing the risk of widespread transmission. Training medical personnel and public health officials will enhance diagnostic accuracy, case management, and community-level awareness, ensuring timely interventions. Equipping hospitals and facilities with the necessary tools and resources will improve patient care and outcomes. Overall, FSM's health system is witnessing a positive change through telemedicine, mobile outreach, and community-led care. Remote islands are now being covered under initiatives like "Health on the Move" 50.

⁴⁸ Micronesia. National Communication (NC). NC 3. Biennial Update Report (BUR). BUR 1. Available at https://unfccc.int/sites/default/files/resource/NC3%20BUR1%20MICRONESIA%20UNFCCC.pdf

⁴⁹ WHO Data. Available at https://data.who.int/countries/583

⁵⁰ Federated States Of Micronesia Second Voluntary National Review 2 25. Available At https://img1.wsimg.com/blobby/go/03465d55-d45f-4daf-a19f-877991a60874/10076 UN FSM VNR 2025 V15 LR.pdf?fbclid=lwZXh0bgNhZW0CMTAAYnJpZBExZ3MwS3hDSUJyY3d pYk4zTgEePalH0RW9tLwE_mYMwljQMhCKpfwuk7V2XR8PnlA41cWysX15J_8l2uzmFxo_aem_qvwF1K0FWfleAHomn2z

Measures A25, A26, and A27 emphasize the availability of diagnostic services, capacity building for staff at all levels of the healthcare system, and the equipping of medical facilities, aligning with the strategic priorities of the FSM SDP (2024-2043). At the state level, Kosrae and Pohnpei plan to establish laboratories by 2030 to detect and monitor VBD/WBD/FBD, equip facilities and run periodic trainings with Pacific Island Health Officers Association (PIHOA)/WHO through 2035. PIHOA has already led a multi-agency vector-surveillance & outbreak-response training in Pohnpei (Nov 2024).

At the national level, FSM is implementing a project "SAP051: Increasing resilience to the health risks of climate change in the Federated States of Micronesia" funded by GCF and executed by SPC to strengthen climate-proof public health systems. The project will focus on improving early warning interventions and help in establishing and improving the surveillance of climate-related FBD, WBD, and VBD⁵¹. The project will also focus on improving the health workforce and technical staff capacity to monitor and respond to climate-sensitive diseases. FSM is also a part of the newly launched Pacific Vector Network, under the Pacific Public Health Surveillance Network (PPHSN). PVN will help member countries like FSM through digital tools for collecting and sharing vector surveillance data.⁵²

6.6 Climate Resilient Infrastructure

FSM faces significant vulnerability to climate change impacts due to its dispersed geography and reliance on coastal infrastructure. Roads, ports and airports are vital for connectivity and trade, yet are increasingly threatened by rising sea levels, storms, flooding and other extreme weather events. Strengthening infrastructure resilience is thus central to FSM's adaptation strategy, ensuring continued mobility and economic activity.

The FSM road network faces various vulnerability issues, including: (i) coastal exposure to sea-level rise, storm surges, and wave action during very high tides and typhoons; (ii) inland flooding and landslides during extreme rainfall events and (iii) accelerated pavement deterioration caused by extreme weather and rising water tables in some locations. For instance, in 2015, *Typhoon Maysak* wiped out 90 percent of key agricultural crops in Chuuk and Yap, affecting 29,000 people and causing US\$8.5 million in damages.

Moreover, as drought and sea level rise are exacerbated by regional El Niño-Southern Oscillation (ENSO) processes, atoll communities increasingly rely on imported food and water during times of stress. Extreme spring tides, amplified by se-level rise, lead to severe are marine inundation that damages critical coastal infrastructure, particularly

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⁵¹ SAP051: Increasing Resilience to The Health Risks of Climate Change in The Federated States of Micronesia. Available At Https://Www.Greenclimate.Fund/Sites/Default/Files/Document/Funding-Proposal-Sap051.Pdf

⁵² The Launch of The Pacific Vector Network: Connecting Pacific Island Countries and Areas to Prevent and Control Vector-Borne Diseases. Available At https://Pacmossi.Org/Carbon/Assets/0007e9/000005/S13071-025-06760-9.Pdf

on low-lying atoll islets.

Investing in climate-resilient infrastructure can promote sustainable and equitable growth, representing a significant adaptation opportunity for FSM. By climate-proofing all major island ring roads, arterial roads, airport access roads, and major ports, and by upgrading docks to be larger, stronger, and compliant with International Ship and Port Facility Security (ISPS) standards, FSM can protect I trade flows, fisheries, and disaster response operations from climate-induced disruptions. The adoption and enforcement of climate-resilient building codes and engineering standards across all new infrastructure projects and key public utility systems will ensure that future investments account for sea-level rise, stronger storms, and long-term climate risks.

MEASURES

Table 12: Adaptation Priority Area – Climate Resilient Infrastructure

#	Measures	Conditionality	SDG Goals
A28	Climate-proof land transport corridors, access routes and other essential	Conditional	8 DECENT WORK AND ECONOMIC GROWTH 9 Industry, innovation and infrustructure
A29	 Enhance port and harbor resilience to maintain supply chains by climate proofing 100% of major ports by 2035 A29.1: Extend docks and upgrade them to be larger, stronger, and compliant with International Ship and Port Facility Security (ISPS) standards A29.2: Increase availability and use of ecofriendly equipment and facility at the port side 	Conditional	10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES
A30	Strengthen airports and runways to maintain air connectivity	Conditional	13 CLIMATE
A31	Climate-proof key public utility systems (electricity, water, wastewater, public transportation, telecom, others) and new infrastructure through national building codes	Conditional	17 PARTINERSHIPS FOR THE GOALS

Resilience is a cross-cutting theme in the IDPs (2025-2034), which include projects for coastal protection, continuity planning, and upgrades to public facilities designed to withstand storms and sea level rise. These initiatives align closely with NDC 3.0 measures

and require significant investments for implementation. However, the SDP (2024–2043) estimates that FSM needs over US\$1.2 billion for infrastructure improvements by 2035, with current financing covering only about 30% for this requirement. At the state-level, Kosrae has proposed an improvement plan for Okat Port, which includes constructing a new terminal (AV3) construction, extending the runway (AV2), enhancing navigation aids, and expanding the seaport to international standards (MA1–MA3). These projects align with the SDP and the FSM Airport Master Plan.

6.7 Disaster Risk Management

Disaster Risk Management is both critical and difficult in a geographically dispersed SIDS such as FSM. The communities face numerous possible threats exacerbated by climate change, including typhoons, landslides, droughts, earthquakes, and sea level rise. These threats result in the loss of economic assets, damage to infrastructure, disruption of livelihoods, and reduced food security. For example, the drought conditions that affected Pohnpei, Yap, and Chuuk in 2024 left nearly 21,000 people in urgent need of water and food assistance, prompting the government to declare a national emergency. Although US\$1.2 million was allocated to the Disaster Relief Fund, along with support from UNICEF, the scale of need highlighted that far more assistance was required According to the Voluntary National Review 2025, while over 40 municipalities have disaster preparedness plans, implementation gaps remain, particularly in remote areas. Additionally, FSM faces significant risk of oil spills in Chuuk Lagoon due to numerous World War II (WWII) shipwrecks, where effective recovery and safe disposal of oil are critical concerns.

MEASURES

Table 13: Adaptation Priority Area – Disaster Risk Management

#	Measures	Conditionality	SDG Goals
A32	Enhance emergency preparedness through strong planning and appropriate resources buildup • A32.1: Develop nation and state-wide GIS maps for identification of vulnerable communities	Conditional	3 GOOD HEALTH AND WELL-BEING
A33	Enhance emergency response through expediting inter-state transportation by securing additional rescue vessels	Conditional	10 REDUCED INEQUALITIES

⁵³ Federated States of Micronesia - Disaster Management Reference Handbook. Available At https://www.Theprif.Org/Sites/Theprif.Org/Files/2020-08/Fsm%20disaster%20management%20ref%20hdbk.Pdf

⁵⁴ Unicef Pacific: Drought Emergency Response For The North Pacific - Federated States Of Micronesia And Republic Of Marshall Islands (April 2024). Available At https://Reliefweb.Int/Report/Micronesia-Federated-States-Micronesia-Federated-States-Micronesia-Interpublic-marshall-islands-april-2024

A34	 Enhance response and recovery through provision of climate resilient warehouse and shelters A34.1: Create capacity and warehouse(s) for pre-positioning of humanitarian supplies at National and State levels A34.2: Construct and retrofit multi-purpose emergency shelters to withstand climate extremes like typhoons and floods A34.3: Offer regular community training and drills on shelter use, management, and emergency preparedness 	Conditional	11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS
A35	Upgrade vessels, equipment, and storages to better handle oil spills	Conditional	8

Note: The sequence of measures involves a value-chain approach with preparedness followed by response and then recovery

The proposed measures will significantly improve FSM's disaster preparedness, response, and recovery capabilities. Developing nationwide and state-level GIS maps will enable identification of vulnerable communities, guiding targeted planning and resource allocation. Expanding interstate transportation with additional rescue vessels will strengthen mobility during emergencies; while establishing climate-resilient warehouses designed to withstand typhoons and floods will protect lives and reduce disruption during crises. Regular community training and drills will enhance local readiness and resilience. Upgrading vessels, equipment, and storage facilities for managing oil spills will further safeguard marine and coastal ecosystems, preventing compounding disaster risks. Together, these actions create a more robust, community-centered disaster management system for FSM.

FSM has already updated its National Disaster Response plan in 2025, and Pohnpei plans to revisit and update its own disaster plan in alignment with this national effort. To identify vulnerable communities and high-risk areas, GIS tools such as PopGIS3, OpenStreetMap, and the Digital Atlas of Micronesia are already in use. Pohnpei aims to launch a state GIS mapping initiative with national and regional partners to complete comprehensive mapping by 2035. Investment in intra- and inter-state cargo and transportation vessels has been identified as a key measure under disaster preparedness, enhancing emergency response capacity to deliver vital supplies and to evacuate persons from disaster areas or those in need of medical assistance. To strengthen emergency response and inter-state mobility, Pohnpei plans to upgrade and/or secure additional vessels by 2035. Concurrently, the national-level SMART Plan targets construction of warehouses and development of search and rescue plans across all the 4 states, providing the operational backbone for preparedness, response, and recovery.

The ongoing projects include the "Disaster Risk Management Program" by VITAL and Potentially Polluting Wrecks (PPW) initiative. The PPW project, funded by the Department of Foreign Affairs and Trade (DFAT) of Australia, and supported by Japan Mine Action Service (JMAS) and Major Projects Foundation (MPF), aims to enhance management in Chuuk Lagoon through technical information, on-site oil recovery, risk surveys of high-

risk wrecks, and strengthened contingency training.⁵⁵ FSM has also leveraged the Pacific Islands Regional Marine Spill Contingency Plan (PACPLAN) in formulating its national plan and operationalizing oil-spill response. However, safe final disposal of recovered oil remains a gap in FSM's disaster management strategy.

7. LOSS AND DAMAGE

FSM is one of the most climate-vulnerable nations globally, facing both extreme events and slow-onset processes that cause irreversible loss and damage. Intensifying typhoons, sea level rise, saltwater intrusion, and coastal erosion threaten the very habitability of many islands. Damage to homes, schools, hospitals, transport links, and community facilities has cascading impacts on health, education, food security, and livelihoods. Consequently, addressing Loss and Damage is a critical pillar of FSM's NDC, reflecting the nation's limited adaptive capacity and the pressing need for international support to address climate impacts that exceed adaptation thresholds.

FSM already experiences frequent climate-induced disasters. Typhoon Maysak (2015) and Typhoon Wutip (2019) caused widespread destruction of housing, crops, and infrastructure, with recovery costs far exceeding national resources. More recently, Typhoons Bebinca (2024) and Kong Rey (2024) have underscored recovery gaps in outer islands, particularly in housing and food systems. Sea level rise has inundated taro patches and freshwater lenses in outer islands, while coastal erosion threatens the relocation of communities from low-lying atolls. Non-economic losses, including damage to cultural heritage sites, community displacement, and the erosion of traditional livelihoods, are becoming increasingly evident.

Currently, post-disaster response in FSM is largely financed through emergency aid and Compact support; however, systematic mechanisms to quantify and redress loss and damage remain underdeveloped. Gaps remain in compensation, insurance, and addressing non-economic losses, necessitating the establishment of a robust monitoring framework, resilient infrastructure, and a comprehensive strategy at the national and state levels. This will require dedicated international financing streams, including the Loss and Damage Fund under the UNFCCC in addition to Compact and development partners. At COP28, Parties operationalized the Loss and Damage Fund with the World Bank as interim trustee, establishing new channel for dedicated finance. COP29 built on this progress by affirming arrangements for disbursement from 2025, with specific emphasis on equitable access for Small Island Developing States. Recent international negotiations have advanced support for vulnerable countries like FSM making timely and predictable access to these resources will be essential for strengthening national efforts and contributing to a more resilient and sustainable future.

⁵⁵ Enhance efforts to address Oil Spill Risk from Potentially Polluting Wrecks in the Federated States of Micronesia

⁻ Phase 2. Available at https://www.sprep.org/project/enhance-efforts-to-address-oil-spill-risk-from-potentially-polluting-wrecks-in-the-federated-states-of-micronesia-phase-2

8. MEANS OF IMPLEMENTATION

Means of Implementation encompass the resource requirements and cross-cutting enabling factors such as finance, capacity building, inclusivity, policy frameworks, and private sector participation, necessary to deliver FSM's NDC 3.0.

8.1 Summary - Measures & Conditionality

The following table summarises the measures proposed under NDC 3.0 for Mitigation and Adaptation sectors. Achievement of majority of the measures is conditional i-e- it is contingent upon the availability of international financing. Such financing is then directed towards conducting pre-feasibility studies, building institutional and technical capacity, accessing appropriate technologies, and enabling the policy frameworks required to implement the conditional targets.

Table 14: Measures - Mitigation & Adaptation

#	Measures	Conditionality
M1	Increase Renewable energy mix in electricity generation at grid level to 70% by 2030 and 80% by 2035	Conditional
M2	Increase electricity access to 100% by 2035	Conditional
М3	Improve energy efficiency across supply and demand systems	Conditional
M4	Increase Distributed Renewable Energy (DRE) production and use	Conditional
M5	Develop National Master Transport Plan and associated State Action Plans integrating land and marine transportation	Conditional
M6	Improve NMT (walkway, bicycling lanes) to allow more livable urban community	Conditional
M7	Increase shift to Public Transportation (PT) buses and ferries	Conditional
M8	Transition to electric and clean fuel alternatives for land, sea, and air transportation including increasing the share of e-Mobility	Conditional
M9	Increase clean cooking adoption using biogas, electric stove, and other clean options to 70% by 2035	Conditional
M10	Develop policy on circular economy with a particular focus on waste reduction	Conditional
M11	Improve landfill site management and divert organic waste from landfill sites	Conditional
M12	Improve municipal solid waste and waste-water collection and treatment systems for reduced Methane release	Conditional
M13	Develop Integrated Land Management Plan and associated State Action Plans	Conditional

M14	Increase forest conservation and restoration to increase the forest cover	Conditional
M15	Reduce methane release from agriculture through enhanced livestock productivity and utilization of organic fertilizers made from composting	Conditional
M16	Reduced HFCs use and leakages by aligning with the Kigali Amendment and attaining a 10% reduction in HFCs by 2029 and 30% reduction by 2035	Conditional
A1	Protect land & water to reduce saltwater intrusion, erosion, and flood risk	Unconditional
A2	Adopt climate-resilient farming to improve crop tolerance to heat, storms, and pests	Unconditional
А3	Secure seed & livestock resources to ensure rapid recovery after climate shocks	Conditional
A4	Enhance water security to sustain farming during droughts and dry spells	Conditional
A5	Scale sustainable aquaculture while preserving reefs by operating hatchery-based aquaculture for clams, sandfish, and other species	Conditional
A6	Strengthen food value chains to produce more (for local consumption and exports), minimize post-harvest loss, grow market linkages, and increase farmer income	Conditional
A7	Enable monitoring systems, policies, finance, and capacity building to unlock climate-smart agriculture investment by enhancing farmers' cooperatives	Conditional
A8	Prevent and manage invasive species (IS) to protect croplands	Conditional
A9	Increase clean drinking water access to 100% by 2035	Conditional
A10	Improve management and protection of watersheds	Conditional
A11	Add new fresh ground and surface water sources	Conditional
A12	Repair, maintain and expand waste-water treatment systems	Conditional
A13	Protect and restore mangroves and coastal vegetation to provide natural coastal defense	Unconditional
A14	Conserve terrestrial forests and wetlands by managing 30% terrestrial resources by 2035	Unconditional
A15	Expand and manage protected areas (PAs) to conserve key species and habitats	Conditional

A16	Promote sustainable land use and ecosystem-based adaptation by developing/updating Integrated Land Management Plans and Shoreline Development Plans	Conditional
A17	Manage tuna and high-seas resources to sustain national revenue and ocean health	Conditional
A18	Restore, manage and protect more than 50% of coastal marine habitats like coral reefs to sustain nearshore fisheries by 2035	Conditional
A19	Strengthen sustainable management of 50% marine resources and restrict commercial fishing in 30% of marine area by 2035	Conditional
A20	Develop blue economy activities to diversify ocean-derived income	Conditional
A21	Strengthen marine governance, surveillance & data systems in 30% of marine waters by 2035	Conditional
A22	Protect and monitor marine ecosystems from acidification by establishing long-term ocean acidification monitoring stations and piloting adaptative strategies	Conditional
A23	Strengthen coastal protection by regulating beach sediment removal	Conditional
A24	Reduce ocean pollution & support healthy marine ecosystems	Conditional
A25	Establish a laboratory and surveillance system to detect and monitor VBD, WBD, and FBD, to enable rapid response and control of outbreaks	Conditional
A26	Provide medical personnel and public health officials with training in the detection and treatment of VBD, WBD, and FBD	Conditional
A27	Equip hospitals and other relevant medical facilities to receive and effectively treat patients suffering from VBD, WBD, and FBD	Conditional
A28	Climate-proof land transport corridors, access routes and other essential	Conditional
A29	Enhance port and harbour resilience to maintain supply chains by climate proofing 100% of major ports by 2035	Conditional
A30	Strengthen airports and runways to maintain air connectivity	Conditional
A31	Climate-proof key public utility systems (electricity, water, wastewater, public transportation, telecom, others) and new infrastructure through national building codes	Conditional
A32	Enhance emergency preparedness through strong planning and appropriate resources buildup	Conditional
A33	Enhance emergency response through expediting inter-state transportation by securing additional rescue vessels	Conditional
A34	Enhance response and recovery through provision of climate resilient warehouse and shelters	Conditional

8.2 Resource Requirements

FSM's geographic dispersion, limited domestic resources, and vulnerability to climate impacts pose significant challenges for the implementation of its NDC. While the country has identified priority projects, its ability to execute these actions is constrained by institutional, technical, and financial capacity. Therefore, the implementation of FSM's mitigation and adaptation measures remains conditional on scaled-up international climate finance, which will be used for technology transfer, technical assistance, policy enablement, and capacity development.

According to the National and State-level IDPs (2025-2034), several projects have been identified as priority investments requiring resource allocation. The IDPs estimate that FSM will need an aggregate of US\$1,402.4 million for infrastructure development over the next 10 years. Adaptation accounts for the larger share (US\$1,162.4 million; 82.9%), driven by high-value resilience packages in climate resilience infrastructure, transport corridors, water and wastewater systems, and ports and airports, relative to mitigation investments. Mitigation investment sectors including electricity, waste, and transport have limited representation as of now. State-level requirements account for ~88.2% of the total funding with 'Climate Resilient Infrastructure' emerging as the single largest sectoral need (~US\$643.7 million). This underscores the areas where implementation efforts and financing will require the most coordination.

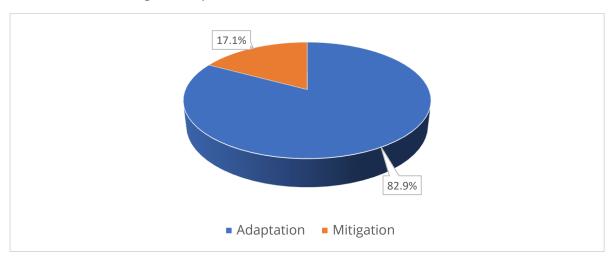


Figure 6: Adaptation & Mitigation Fund Requirements as per National & State-level IDPs (2035)

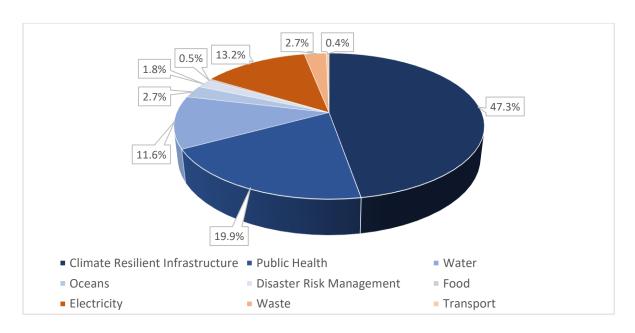


Figure 7: Sectoral Fund Requirements as per National & State-level IDPs (2035)

The NDC measures listed under NDC 3.0 covering both mitigation and adaptation sectors is estimated to require higher investments than envisaged by the IDPs till 2035. Mobilizing these investments, beyond ongoing and budgeted commitments, through Compact allocations, development partners, and climate and environment funds will be critical to advancing FSM's NDC commitments. Achieving the targets set for 2030 and 2035 will also depend on investments in technology deployment, local entrepreneurship, and regional supply chains, supported by concessional finance and grant mechanisms mobilized under NDC 3.0.

Key development partners and climate and environment funds identified for investments in the project pipeline include the COFA, multilateral banks and agencies such as the Asian Development Bank (ADB), World Bank, and US Agency for International Development (USAID); bilateral partners including Australia's Department of Foreign Affairs and Trade (DFAT), Japan International Cooperation Agency (JICA), and the European Union (EU) and China; and international mechanisms such as the United Nations Development Programme (UNDP) and the Green Climate Fund (GCF).

8.3 Cross-Cutting Enablement

In addition to resources, FSM is working towards ensuring alignment of enablement factors within NDC 3.0. FSM aims to fully integrate Gender Equality, Disability, and Social Inclusion (GEDSI) principles into NDC 3.0 through state-level SMART Plans. This integration guarantees that women, youth, persons with disabilities, and marginalized groups are included in decision-making process, capacity-building, and implementation processes. It also commits to advancing education and capacity building by embedding climate curricula, vocational training, and community-based learning into national and state programs. Institutions such as COM-FSM contribute through research, infrastructure development, capacity building, extension services, and the expansion of online and hybrid programs to reduce inter-island travel and emissions while promoting

equity and resilience.

Furthermore, it aims to align NDC 3.0 with existing frameworks such as the Climate Change Act (2014), the Strategic Development Plan (2024–2043), and the National Energy Policy (2024–2050). In parallel, FSM intends to mobilize climate finance by linking state-level IDPs and Smart Plans with international mechanisms such as the GCF and the Loss and Damage Fund. The country seeks to promote private sector participation through incentives, concessional finance, and partnerships in renewable energy, sustainable fisheries, resilient agriculture, eco-tourism, and circular economy initiatives.

8.4 GEDSI

FSM is a culturally diverse nation, where traditional structures significantly shape social life. In Chuuk, Pohnpei, and Kosrae, matrilineal system prevails, with land passing through the mother's clan, allowing women to play active roles in land management and decision-making. Conversely, Yap and some outer islands in Pohnpei follow patrilineal systems where land is inherited through the father's lineage. Across the nation, men and women maintain complementary responsibilities. While men typically engage in tree cultivation and work as carpenters, builders, and fishers, women manage families, harvest crops, gather seafood, and produce artisan goods such as baskets, oils, and woven clothes. These practices reflect enduring traditional safety nets that have supported households in times of hardship.

Despite these traditions, modernization and the shift to a monetized economy from a subsistence economy have eroded women's historical influence in food production and resource management, narrowing their roles in the formal economy. Today, women account for less than 35% of the labor workforce and ~27% of the formal workforce, with participation in STEM and technical programs under 15%⁵⁶. While FSM elected its first woman senator in 2023, broader political representation remains limited and women continue to face barriers in employment, access to finance, and public decision-making. Gender-based violence services are available in all states; however, the coverage of these services remains severely limited in the outer islands.

Persons with disabilities face similar challenges with only about 13% of the poorest households with persons with disabilities having access to essential services such as healthcare, education, or communication tools. To address these gaps, FSM has established Disability Coordination Offices in all four states and continues to roll out gender-responsive action plans and youth-focused digital and vocational skills programs. These initiatives are supported by the principle of Leaving No One Behind (LNOB)

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embedded in the Strategic Development Plan (2024–2043), which prioritizes inclusive governance, improved data systems, and targeted services for marginalized groups.

FSM demonstrates growing institutional alignment with gender and social inclusion goals. The forthcoming National Gender Equality Policy (2025–2030) will provide a framework for women's leadership, disability inclusion, finance and monitoring, gender-based violence prevention, and equitable participation in governance, health, education, and climate resilience. Gender focal points have been reestablished across ministries, and a Gender Development Unit now operates within the Department of Health and Social Affairs. FSM's commitment is further reinforced by its ratification of CEDAW, alignment with the SDGs, and adoption of the Pacific Gender Roadmap.

This agenda is increasingly embedded in climate action. FSM has integrated GEDSI into this NDC and plans to update the Nationwide Disaster Risk Management and Climate Change Policy through the GCF-supported National Adaptation Plan project. Local initiatives such as "Women's Work: Empowering Women to Restore Coastal Ecosystems and Strengthen Food Security in Micronesia" further illustrate how women's traditional knowledge and community leadership are being mobilized for climate adaptation and resilience.

While systemic challenges such as limited disaggregated data and weak enforcement of protections remain, FSM is steadily building an inclusive foundation. By mainstreaming gender, disability, and youth considerations into policies and investments, and by partnering with regional and international organizations, FSM is reaffirming its commitment to a society where resilience to climate change is shared by all.

9. ANNEXURE

9.1 Annexure 1: Information necessary for clarity, transparency, and understanding of FSM's NDC

1. Quantifiable information on tl	ne reference point (including, as appropriate, a base year)
(a) Reference year(s), base year(s), reference period(s) or other starting point(s)	The GHG emissions reduction targets in this NDC are defined for the year 2030 and 2035 and measured against a Business-as-Usual scenario for those respective years; projected from 2024 as-is baseline
(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 (c) Target relative to the reference indicator, expressed numerically, for example in percentage or amount of reduction	Total GHG emissions in FSM in 2018 were 174 Gg CO2e, of which the Energy sector contributed 118.5 Gg CO2e Waste sector contributed 27.24 Gg CO2e AFOLU sector contributed 22.35 Gg CO2e Overall GHG emissions reduction of 31% in 2030 and 35% in 2035 compared to BaU levels in the same years* Reduced GHG emissions in the electricity sector by 66% and 28% in waste sector in 2030 Reduced GHG emissions in the electricity sector by
	76% and in waste sector by 39% in 2035 *These GHG reduction numbers are only for the modelled measures, which are subsets of all NDC measures. Actual GHG reduction with all the measures implemented would be higher.
(d) Information on sources of data used in quantifying the reference point	The government of FSM's GHG inventory was developed as part of the Biennial Update Report (2018)
(e) Information on the circumstances under which the Party may update the values of the reference indicators	The reference indicators for national and sectoral emissions may be updated to reflect the most recent information once the next GHG inventory is published. Information on any updates made will be reflected in FSM's Fourth National Communication to the UNFCCC.
2. Time frames and/or periods fo	
(a) Time frame and period of implementation	Timeframe for NDC implementation is 2025 to 2035.
(b) Whether it is a single-year or multi-year target, as applicable	FSM is committed to multi-year targets for the years 2030 and 2035, and this varies across different sectors and their measures and sub-measures
3. Scope and Coverage	
(a) General description of the target	Please refer to 1(c) above for the sectoral coverage and targets
(b) Sectors, gases, categories and pools covered by the nationally determined contribution, including, as applicable, consistent with Intergovernmental Panel on Climate Change (IPCC) guidelines;	Sectors covered: Energy (electricity, transport, energy-others), Waste, AFOLU, and IPPU Gases covered: Targets will apply to gases: Carbon dioxide (CO2), Methane (CH4) and Nitrous oxide (N2O). All targets are expressed in CO2e. Geographic coverage: Countrywide
(c) How the Party has taken into consideration paragraphs 31 (c) and (d) of decision	FSM commits to extend, over time, the scope of its NDC to all categories of anthropogenic emissions in line with paragraph 31 (c).

1/CP.21:

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

Food: Climate-smart practices will lead to improved soil carbon sequestration; better pest and livestock management will lead to reduced methane/N₂O; strengthened food value-chain will lead to less reliance on imported food, cutting transport-related emissions

Biodiversity: Protection and restoration of mangroves and coastal vegetation will lead to long-term carbon storage and mangrove ecosystems serve as critical carbon sinks

Ocean: Healthy ocean ecosystems will enhance carbon sequestration and sustainable fisheries will reduce fuel-intensive overfishing

Climate Resilient Infrastructure: Climate-proofing of key public utility systems and new infrastructure through national building codes will standardize energy efficiency standards and lower electricity use and emissions

4. Planning Processes

- (a) Information on the planning processes that the Party undertook to prepare its NDC and implementation plans, including:
- (i) Domestic institutional arrangements, public participation, and engagement with local communities and Indigenous peoples, in a gender-responsive manner;

FSM's NDC 3.0 has been prepared at the national level through extensive consultations and validation involving both national and state stakeholders, in alignment with the GEDSI principles. Broadbased consultations engaged traditional leaders, women and youth groups, civil society, and the private sector.

- (ii) Contextual matters, including, inter alia, as appropriate: National circumstances, such as geography, climate, economy, sustainable development, and poverty eradication
- a. National circumstances, such as geography, climate, economy, sustainable development and poverty eradication
- FSM is an independent sovereign nation composed of four states Yap, Chuuk, Pohnpei, and Kosrae, stretching across the western Pacific Ocean. With 607 islands spread across an EEZ of nearly 3 million km² but only 702 km² of land, FSM is one of the world's most geographically dispersed nations, heightening service delivery and resilience challenges.
- FSM experiences a tropical maritime climate with high rainfall and strong influence of the El Niño–Southern Oscillation (ENSO). The country has faced repeated climate-related disasters, including Typhoon Maysak (2015) and Typhoon Wutip (2019). Long-term trends show warming of ~0.8–0.9°C, rising sea surface temperatures driving coral bleaching, rapid sea-level rise of ~19 cm over the past 30 years near Pohnpei, and increasing ocean acidification.
- Climate projections indicate rising air temperatures of 0.7°C by 2030 (and up to 1.9°C by century's end), sea-level rise of ~20 cm by 2050 and ~74 cm by 2100, more intense rainfall extremes, and fewer but more intense cyclones. These hazards pose existential risks for low-lying atolls and coastal communities, threatening land, water, food security, livelihoods, and cultural heritage.
- FSM's population in 2024 is estimated at ~113,160, with a modest urbanization rate of ~23%. Out-migration remains significant (net migration −1,104 in 2024), reflecting socio-economic and climate pressures. Gender dynamics differ by state, with both matrilineal and patrilineal systems shaping land tenure and decision-making. Women play key roles in food security and community resilience but remain under-represented in leadership, with only one

		warran canatar alastad in 2022
		woman senator elected in 2023.
		■ The economy remains highly dependent on subsistence farming, fisheries, U.S. Compact funding, and remittances, with limited private sector diversification. In 2023, GDP per capita was ~USD 4,084, with services contributing ~69% of GDP, agriculture/fisheries ~23%, and industry ~5%. Fisheries generate over USD 70 million annually in revenues. In 2019, the tourism sector generated US\$18 million in revenues and directly employed about 2.5% of the workforce. Visitor arrivals 18,019,
		with 60% to Pohnpei, 28% of visitors arrived in Chuuk, and 6% each to Kosrae, and Yap. After several years of decline (2017 and 2019), arrivals have rebounded with Yap recording 1,825 international stayover visitors between January-August 2024, nearly double the 945 visitors in 2023, a 93% increase.
		■ FSM reaffirms its commitment to the Paris Agreement and the 1.5°C survival threshold for SIDS. The National Energy Policy (2024–2050) sets the pathway to renewable energy, efficiency, and low-carbon development, while NDC 3.0 integrates mitigation, adaptation, and resilience measures, reflecting both national priorities and the outcomes of the Global Stocktake.
	b. Best practices and experience related to the	The preparation of FSM's NDC 3.0 has leveraged extensive consultations with both national and state stakeholders, ensuring inclusivity and alignment with state-level SMART Plans and sectoral strategies. FSM has embedded its national development
	preparation of the nationally	frameworks into the NDC and incorporated state-level priorities and Indigenous knowledge, making this NDC both nationally owned and
	determined	contextually grounded. At the same time, FSM recognizes the need
	contribution	to strengthen institutional capacity and data collection systems, including GHG inventories, to further enhance transparency and compliance with IPCC guidelines.
	c. Other contextual aspirations and priorities acknowledged when joining the Paris	FSM recognizes the urgency of collective action to address the growing impacts of climate change and, in this spirit, its NDCs outline pathways to strengthen the climate resilience of communities.
	Agreement;	
(b) Specific information applicable to Parties, including regional economic integration organizations and their		Not applicable
member States,	that have	
reached an agre jointly under Ar		
paragraph 2, of		
Agreement inclu	uding the	
Parties that agre jointly and the t		
agreement, in a		
Article 4, paragr	aphs 16–18, of	
the Paris Agreer		
(c) How the Party's preparation		In line with Article 14 of the Paris Agreement, the outcomes of the
of its nationally determined contribution has been		first Global Stocktake in 2023 have informed the preparation of FSM's NDC 3.0. The NDC responds to the GST call for increased
To		1.555 e 5.5. The The Tesponas to the 651 tall for increased

informed by the outcomes of the global stock take, in accordance with Article 4, paragraph 9, of the Paris Agreement; ambition by extending targets to 2035, strengthening long-term planning, and reaffirming FSM's renewable energy and efficiency milestones. It also incorporates the recognition of a just and equitable transition as a guiding principle, ensuring that ambition is pursued in a fair and inclusive manner.

(d) Each Party with a nationally determined contribution under Article 4 of the Paris Agreement that consists of adaptation action and/or economic diversification plans resulting in mitigation co-benefits consistent with Article 4, paragraph 7, of the Paris Agreement to submit information on:

(i) How the economic and social consequences of response measures have been considered in developing the nationally determined contribution;

The NDC defined in the process aims to safeguard food and water security, protect health, and strengthen livelihoods while reducing disaster risks. Adaptation measures are expected to generate economic opportunities through sustainable agriculture, fisheries, aquaculture, and ecotourism. In addition to these benefits, the measures will deliver mitigation co-benefits, including enhanced carbon sequestration, reduced reliance on imports, and greater energy efficiency, thereby linking climate action with sustainable economic and social development.

(ii) Specific projects, measures, and activities to be implemented to contribute to mitigation co-benefits, including information on adaptation plans that also yield mitigation co-benefits.

Please refer to 1 (d) and 3 (d)

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.

The current methodological approach and metrics used by FSM are in accordance with the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. The inventory has compiled GHG emissions at Tier 1 and has utilized national energy statistics and default emission factors.

(b) Assumptions and methodological approaches used for accounting for the implementation of policies and measures or strategies in the nationally determined contribution

FSM's NDC GHG baseline does not include all the major emission sources categorized by the IPCC due to a lack of credible data in the AFOLU, IPPU, aviation and maritime sub-sectors. FSM will follow the 2006 IPCC Guidelines for National GHG Inventories, and the 2019 Refinement to the 2006 IPCC Guidelines for National GHG Inventories, using the Tier 1 approach and applying default emission factors. FSM will also apply this approach when reporting progress towards the targets set in its enhanced NDC.

FSM's GHG inventory does not include all the five major emission sources categorised by the IPCC as some of them are not relevant in the country's context.

Energy: Electricity generation and road and domestic marine transport are the main sources of emissions estimated in the inventory. Waste: Emissions (only methane) from the country's waste sector were calculated using the IPCC Waste Model and will also be updated in the Methane Roadmap of FSM. Industrial Processes and Product Use: There are no large-scale industrial facilities in FSM, and the solvent use and product emissions are non-material. Hence, detailed records are not kept. Short-lived climate pollutants like HFCs are included in this category however, data on their usage or import is not available, hence a GHG model was not developed for the same. Agriculture, forest and other land use: Although shifting agriculture is practiced in FSM, the usual practice of farmers is to plant amongst cleared vegetation. Similarly, the size of ruminant stock is generally low. FSM has made attempts to calculate emissions from land-use but is constrained by the lack of recent data. (c) If applicable, information on Same as 5 (a) and 5(b) 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 (d) IPCC methodologies and Same as 5 (a) and 5(b) metrics used for estimating anthropogenic greenhouse gas emissions and removals (e) Sector-, category- or activity-(i) Approach to addressing Not applicable specific assumptions, emissions and subsequent methodologies, and removals from Natural approaches consistent with disturbances on managed IPCC guidance, as appropriate, lands; including, as applicable: (ii) Approach used to account Not applicable for emissions and removals from harvested wood products; (iii) Approach used to address Not applicable the effects of age-class structure in forests. (f) Other assumptions and methodological approaches used for understanding the nationally determined contribution and, if applicable, estimating corresponding emissions and removals, including:

(i) How the reference indicators, baseline(s), and/or reference level(s), including, where applicable, sector-, (i) How the reference indicators, baseline(s), and/or criteria provided in the Revised 2019 Refinement of the 200 Guidelines for National Greenhouse Gas Inventories. Detail described in 1(a), 1(b), 5(a) and 5(b).	
reference level(s), including, Guidelines for National Greenhouse Gas Inventories. Detail	gy and
	06 IPCC
	ls are
category- or activity-specific	
reference levels, are	
constructed, including, for	
example, key parameters,	
assumptions, definitions,	
methodologies, data sources	
and models used	
(ii) For Parties with nationally FSM's NDC 3.0 covers non-GHG components in the adaptate	tion
determined contributions that section. These were identified and prioritized through (i) a	LIOIT
1 0 17	ciae and
contain non-greenhouse-gas structured literature review of national circumstances, poli	
components, information on programs, (ii) reference to existing technical studies and se	
assumptions and assessments, and (iii) extensive consultations with national	
methodological approaches state-level stakeholders. The process drew on lessons from	
used in relation to those as well as established national and regional frameworks, an	
components, as applicable initiatives such as the Blue Prosperity Micronesia (BPM) pro	ogram
and the Micronesia Challenge.	
(iii) For climate forcers included Not applicable	
in nationally determined	
contributions not covered by	
IPCC guidelines, information on	
how the climate forcers is	
estimated	
(iv) Further technical None	
information, as necessary	
(g) The intention to use FSM is committed to contributing to international discourse	e on
voluntary cooperation under developing voluntary markets. Based on these discussions,	
Article 6 of the Paris identify mechanisms to use international market mechanis	
Agreement, if applicable achieve its NDC targets.	
6. How the Party considers that its nationally determined contribution is fair and ambition	ous in
the light of its national circumstances	
(a) How the Party considers FSM is among the world's most climate-vulnerable nations,	with a
that its nationally determined negligible contribution to global GHG emissions (well below	
L Contribution is fair and L Despite this FSM has committed to ambitious action in its	
contribution is fair and Despite this, FSM has committed to ambitious action in its by expanding sectoral coverage beyond energy to include to	ransport
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addressed Article 4, paragraph 3, of the Paris Agreement;

NDC by broadening sectoral coverage – transport, waste, oceans, enhancing ambition, and explicitly including loss and damage as a cross-cutting area. The extension of targets to 2035 provides a longer-term planning horizon aligned with infrastructure cycles and investment strategies. By embedding *just-transition* principles, FSM is demonstrating that enhanced ambition can go hand in hand with fairness and inclusivity.

(d) How the Party has addressed Article 4, paragraph 4, of the Paris Agreement;

The ambition of FSM's NDC can be seen in the context of its small, geographically dispersed economy, limited fiscal and technical capacity, and high reliance on external support under the Compact of Free Association. Nevertheless, FSM has introduced sectoral mitigation measures in energy, transport, waste, AFOLU, IPPU, and cooking, alongside adaptation measures in fisheries, agriculture, water, health, infrastructure, and ecosystems, laying the groundwork for economy-wide contributions over time.

(e) How the Party has addressed Article 4, paragraph 6, of the Paris Agreement.

As a Small Island Developing State, and consistent with Article 4, paragraph 6 of the Paris Agreement, FSM has the option to prepare and communicate strategies, plans, and actions that reflect its special circumstances. FSM is exercising this flexibility through its state-level SMART Plans and other sectoral strategies, which provide the basis for implementing NDC measures aimed at reducing GHG emissions while strengthening resilience. These plans translate national priorities into actionable measures at the state level, ensuring that mitigation and adaptation actions are tailored to local contexts and capacities.

7. How does the nationally determined contribution contribute towards achieving the objective of the Convention as set out in Article 2

(a) How the nationally determined contribution contributes towards achieving the objective of the Convention as set out in Article 2;

FSM's NDC contributes to the objective of the Convention under Article 2 by placing the country on a low-emission pathway. Compared to a Business-as-Usual projection of 222 ktCO $_2$ e in 2030 and 231 ktCO $_2$ e in 2035, the implementation of measures can reduce emissions to 153 ktCO $_2$ e in 2030 and 149 ktCO $_2$ e in 2035, representing reductions of roughly 31% and 35% respectively, while safeguarding development priorities.

(b) How the nationally determined contribution contributes towards Article 2, paragraph 2(a), and Article 4, paragraph 1, of the Paris Agreement.

Consistent with the objectives of the Paris Agreement and aim to achieve the long-term temperature goal set out in Article 2 paragraph (a) and Article 4, paragraph 1 of the Paris Agreement, FSM has committed to achieving an 80% share of renewable energy in power generation by 2035, supported by grid modernization and efficiency improvements, to decarbonize the energy sector, the country's largest source of emissions. Complementary actions in transport, waste, and cooking will further reduce fossil fuel dependence, while the protection and restoration of mangroves, wetlands, and forests will enhance long-term carbon sequestration. The updated NDC of FSM represents the small island country's commitment to limit the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.







