OWNING ADAPTATION IN THE PACIFIC

Strengthening governance of climate adaptation finance

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Cover photo: Rodney Dekker/Oxfam Australia. Tawaa Tebunang (46) at Tanikabaai Village, Tabontebike, Abaiang. This land was inundated with water following a king tide in 2004. Many crops were lost as a result including pawpaw, pandanus, banana, taro and figs amongst others; the soil is now too saline to grow food.
EXECUTIVE SUMMARY

Pacific Island peoples are already feeling the effects of climate change. Their food supply, nutrition, health, education, livelihoods and social cohesion all suffer from extreme weather events and long-term changes to land and ocean environments. Some Pacific governments and communities are beginning to address cases of climate displacement, with the long-term potential for resettlement within and beyond island nations. Living in one of the world’s most vulnerable regions to climate impacts, Pacific communities face no option but to adapt if they are to build a resilient future.

But adaptation poses different challenges from aid programmes and the delivery of public services. Although climate change is a global issue, its risks and impacts are felt locally, across all levels of society and all sectors. This means new resources are urgently needed to support Pacific governments to lead a multi-sector response that includes accountability at all levels, bottom-up approaches and integration of traditional understanding of environmental change.

Recent global climate negotiations have seen pledges of climate financing by developed nations of US$100 billion a year by 2020. However accessing this climate finance poses major challenges for Pacific countries. Finance providers must address the complex array of funding mechanisms and their lack of coordination. Furthermore, climate finance needs to be additional to the 0.7 per cent of GNI already pledged for official development assistance (ODA) identified as necessary to meet the Millennium Development Goals.

Along with other developing countries, Pacific leaders have questioned the scale and accessibility of global climate funds, which have been pledged by industrialised nations whose historic emissions have caused most problems of global warming to date. Conversely, international finance providers want to see good practice in the effective use of existing resources before they guarantee further significant funds, including contributions to the newly created Green Climate Fund.

But the ability to attract significant levels of global funding will not just depend on Pacific countries asserting their vulnerability and poverty, but rather on demonstrating their own performance and in-country capacity to implement and manage activities and use funds effectively and transparently.

This research aims to contribute to the ongoing debate among Pacific Island countries, and the international community more generally, on ways to strengthen national governance of the funding used for adaptation in the Pacific region. It discusses the factors that are limiting or enhancing national-level responses to strengthen governance of climate adaptation finance, and highlights the need to improve access to adaptation funding and to build an enabling environment so that climate resources reach those most in need.

Most importantly, civil society and members of vulnerable communities, particularly women, must be able to participate meaningfully and hold governments accountable for the way adaptation finance is used. Otherwise, a lack of accountability, monitoring and poor civil society engagement will prevent funds from reaching those most in need.

The report is based on lessons learnt from case studies in three Pacific countries – Tonga, Vanuatu and Papua New Guinea. It draws on the outcomes of two workshops held in Tonga and Vanuatu (involving government officials, donors, non-government, church and community
organisations), as well as an extensive literature review on adaptation and climate financing in the region. Advice was sought from key representatives from the focal country governments, civil society organisations, inter-governmental agencies, international donors, and members of the Council of Regional Organisations of the Pacific (CROP). Particular attention was given to how Pacific countries overcome serious adaptation challenges compared with other regions due to their comparative smallness, remoteness and archipelagic character.

This report found that, to date, a major focus of government officials is accountability up to climate fund donors, rather than across all levels of government and down to the community. Government officials are often directed this way because of the complex array of international climate funding mechanisms demanding their attention and major capacity constraints in-country.

The report also found many of the problems in accessing climate finance lie with the practices of key development partners. It argues there is scope for significant improvement in how donors and multilateral organisations work together to overcome the institutional and bureaucratic rigidity that limits access to climate financing and delays implementation of programs in the field.

While much more still needs to be done to improve access to climate finance, a core message also stressed by research participants was that responses to climate change depend heavily on building in-country capacity and collaboration among development actors at all levels of society – including the diverse array of non-state actors from business and private sector organisations to NGOs, churches, farmers associations, women’s and youth networks, and local customary authorities.

Sound lessons on which to base future actions can be drawn from existing initiatives in response to climate change, and from projects in other sectors. For instance, supporting the formation of NGO consortia allows civil society to work collaboratively on community level adaptation and form a joint platform to engage with governments. Donor support of a flexible design phase allows community participation and innovation to determine the final project scope and funding. Supporting the valuable role of technical working groups and creating funding windows that allow more ‘face-to-face’ exchanges, including community-to-community visits and internships from staff in other ministries or organisations.

Despite major economic, cultural and geographic differences between the three focal countries (Tonga, Vanuatu and Papua New Guinea), there were common challenges and lessons from their responses to climate adaptation that have broader applications. It is important that the lessons from experience across different countries are disseminated widely to improve effectiveness and accountability. Learning by doing is crucial, given the new and complex challenges posed by climate change and adaptation.

While there are important initiatives underway to strengthen government capacity, further resources could be applied to better meet all new climate adaptation demands placed on government leadership and coordination. There is a need to provide education and support for politicians and key decision makers to overcome a lack of strategic understanding of climate change and the complexities of climate finance.

The report highlights the benefits that could be gained from building in-country capacity and collaboration of development actors at all levels of society. The potential for better cooperation will remain untapped unless climate change strategies are targeted in five key areas:

• Capacity building;
• Partnerships and coordination;
• Information and communication;
• Learning cultures;
• Direct access to climate finance.

Over 60 specific actions and strategies were identified by participants in this research and from other sources. These are listed under each of the key areas in the recommendations chapter of this report. They could build the basis for stronger national governance of funding used for climate change adaptation. Regional and international donor governments, regional bodies and inter-governmental agencies and NGOs should support the necessary investments to ensure these are developed.

The ultimate goal of these collective actions is to empower the citizens most vulnerable to climate change, together with their governments, to drive the way adaptation finance is used to meet their needs – setting a process in motion to shift vulnerable Pacific countries towards adaptive resilience.

Underlying the many recommendations are five strategies that appear to be crucial in strengthening national-level governance of climate adaptation finance:

1. **Adopt good donor practice**: Direct support for government bodies leading on climate change and direct budget support are needed to enable capacity building. Donors need to be aware that until systems of direct budgetary support are better entrenched, project-based climate action will cause increasing obstacles and management burdens for Pacific governments, and these will continue unless donors coordinate effectively and simplify their systems. Although climate finance needs to be separate from, and additional to, aid funding, the lessons from international processes on aid effectiveness need to be applied to climate finance.

2. **Deepen approach to mainstreaming**: Consider climate change in all strategic national development planning and mainstreaming in the responsibilities of all government departments. In general, regional and national frameworks are being redesigned to better integrate climate change adaptation and disaster risk responses, sometimes with new departments set up to lead. But coordination between climate units and other ministries is often lagging for a number of reasons, including their limited capacity and scope of mandates.

3. **Build inclusive, meaningful partnerships**: Governments should work more extensively with non-state actors. Civil society organisations (including churches and customary structures) have significant expertise and an important role to play, not just in implementing adaptation projects, but also working with government officials to develop policy and to lobby at the regional and international level. Outreach, education and partnerships with civil society, the private sector and traditional leaders is needed to ensure that resilience is built in the economy and across society, including in outer islands and remote areas.

4. **Strengthen learning and accountability**: Effective action needs to be built on sound information, evidence, feedback and learning. This requires a greater degree of transparency and accessibility of information; sound baselines, monitoring and evaluation across society and effective learning cycles to improve performance.

5. **Include those most vulnerable**: Integrate the contributions of women, children and disadvantaged groups in climate change strategies. This requires disaggregating data and conducting more detailed research that measures how climate change affects men, women, children and people with disabilities in different ways, especially in multi-lingual and diverse societies.
Building resilience to climate change is a challenge for all society, not only national and provincial governments. In Papua New Guinea and Vanuatu, community leaders stressed the vast majority of land is held under customary ownership by kinship groups, not by the state. Therefore without the involvement of customary landholders, and community level involvement in the sustainable use of land and resources, responding to climate change will be impossible. Donors, governments and non-state actors need to create new mechanisms to redirect funding and information to rural and outlying communities, and allocate resources to address climate impacts.

This report has found encouraging innovations and examples of good practice in the three focal countries and other Pacific Island countries. However, formidable challenges remain and the recommendations above demonstrate the importance of governments playing a leadership and coordinating role to mobilise a broad response across Pacific societies based on a common aim to build resilience.

During the course of this research Oxfam has found willingness amongst a broad range of actors to contribute to achieving this aim and huge strengths to contribute. Mobilising such a broad constituency will be essential in meeting the profound challenges that climate change poses to the Pacific region now, and in coming decades.