



## **An Oxfam New Zealand Contribution to MFAT Climate Action**

July 2018

Oxfam New Zealand welcomes the Ministry of Foreign Affairs and Trade's (MFAT) recent inclusion of climate change as a priority for the New Zealand Aid Programme. We believe that the New Zealand government has the opportunity to position itself as a global leader in climate change action in its international development cooperation efforts. This includes through pioneering activities that support people across the Pacific, and beyond, to adapt to climate change's impacts. We welcome MFAT's openness to engage with civil society on policy formulation, and take this opportunity to offer Oxfam New Zealand's perspective on key issues as MFAT develops its approach to climate change financing and programming.

Oxfam New Zealand is a registered Charitable Trust that is a legally autonomous member of the global Oxfam Confederation of 19 affiliates in 86 countries. Oxfam New Zealand works in partnership with Oxfam in the Pacific (a registered Trust in Fiji), to deliver international development programmes on the ground, conduct advocacy and campaigns that amplify the voices of the marginalised, and respond to people in crisis. Oxfam has a wealth of experience working with communities to adapt to and mitigate climate change, based on a human rights approach.

Oxfam New Zealand recommends that MFAT:

- takes a human rights approach, leaving no-one behind
- mainstreams a focus on resilience and adaptation through all programming, and ensures an appropriate balance in activities with a principle and significant focus on climate change
- prioritises community-based adaptation programming, including for disaster risk reduction
- supports and shares lessons on national adaptation plans, and supports the integration of climate change adaptation into national development plans
- continues to improve regional coordination
- develops and implements robust monitoring, evaluation and learning mechanisms into all relevant programming
- continues to increase its climate finance in proportion to increases in ODA, and transparently account for both
- maintains its climate finance as grants
- aspires to provide 80% of its climate finance to adaptation
- works to simplify global funding mechanisms
- pioneers mechanisms to fund support for people who are forced to migrate, and other aspects of loss and damage
- establishes a sector-wide working group on climate change programming, to share lessons learned and build collective knowledge about what works.

The following document is divided into two sections. The first focuses on adaptation; the second on financing. We also attach our policy brief: 'Accountable, Accessible Adaptation: A Global Climate Strategy'. To begin, a note on integrating human rights.

## **Leave no-one behind**

Oxfam New Zealand recommends that all MFAT's climate action takes a human rights approach, and aims to leave no-one behind. This will involve integrating inequality assessments across all of MFAT's work, particularly gender analysis and action. MFAT's work must be gender-sensitive, disability-inclusive, and incorporate peoples' needs across different age groups, ethnicities, socio-economic statuses, and living situations. This will require thoughtful attention to MFAT processes, ensuring that people from these different population groups are actively involved in programme analysis, planning and implementation, and the creation of appropriate progress indicators. Research in these areas may be required to assess how climate change impacts different population groups in different ways, allowing for appropriate and effective responses.

Climate change is not just an environmental crisis, it is also a human rights crisis. Climatic changes are contributing to shifting rainfall patterns, increasing salt water intrusion and rising sea temperatures, all of which conspire to reduce Pacific peoples' access to the basic necessities of life – such as nutritious food and safe drinking water. Climate change is displacing people from their homes, and in the process robbing them of their property, community, culture, heritage and even national identities and citizenship. The negative impacts of climate change are disproportionately borne by persons and communities already in disadvantageous situations owing to geography, poverty, gender, age, disability, cultural or ethnic backgrounds, among other factors. These people have historically contributed the least to greenhouse gas emissions. Climate change has the potential to undermine human rights gains. For this reason, development assistance must adopt approaches and commitments designed to help affected communities adjust and adapt to the negative impacts climate change can place on their human rights.

## **A focus on adaptation**

Oxfam's analysis of the New Zealand Aid Programme's climate action (Maclellan & Meads, 2016, p. 83)<sup>1</sup> highlighted that only 20% of New Zealand's Overseas Development Assistance (ODA) funded activities assisted countries and communities to adapt to climate change. We anticipate this percentage will increase significantly and quickly with the new ODA increases and focus on climate change, and we look forward to engaging in further discussion about adaptation programming. Oxfam New Zealand suggests that New Zealand focus on community-based adaptation, and look to provide global leadership in this area.

### **Principle, significant and mainstreamed**

MFAT needs to consider how it balances its programming to ensure that all activities mainstream a climate change analysis, while also achieving an appropriate balance between activities with a principle and significant focus on climate change. Maclellan and Meads' (2016, p. 83) analysis showed that the majority of New Zealand's climate finance was spent on activities that included some climate change action as part of multiple desired outcomes.

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<sup>1</sup> Nic Maclellan and Sarah Meads, 2016, *After Paris: Climate Finance in the Pacific Islands*, Oxfam New Zealand and Oxfam Australia: Auckland, Available [here](#).

Rarely was climate change adaptation or mitigation the sole purpose of an activity. We expect this will change with the government's new climate change focus, and encourage more programming that is solely dedicated to assisting communities and countries to adapt.

Alongside activities with a core climate adaptation focus, Oxfam New Zealand suggests that all aid activities be assessed through a resilience and adaptation lens, and ensure that climate change impacts are considered in all programming. There are few human undertakings that will escape the impacts of climate change. For example, a health project to reduce non-communicable diseases may involve encouraging people to eat locally grown foods and be more physically active. Both local agricultural production and physical activity will be impacted upon by climate change, and therefore how climate change will impact upon the success of this project needs to be considered in its design.

### **Community-based action**

It is local communities who are experiencing, and already responding to, climate change's impacts. For New Zealand's aid to be effective, communities must lead climate change programming. To facilitate this, MFAT can take a community-based adaptation approach to its climate change activities. Local communities live climate change's impacts every day, and they want to take action to sustain their homes and livelihoods. Communities will be able to find ways to survive and thrive if MFAT supports them to do so. This means MFAT needs to ensure its processes prioritise community ownership, leadership and active participation to analyse the situation, formulate solutions, and plan, implement, monitor and evaluate adaptation activities. Oxfam New Zealand suggests that community-based adaptation programming become a priority focus for MFAT in its climate change work.

It is vital that MFAT ensures its community-based programming reaches rural communities, and is not only centred in or close to urban centres and towns. This is because most Pacific people live rurally, and rely on subsistence agriculture and fishing for survival. Further, if people are no longer able to live in their home villages, they may migrate to towns and cities. This will exacerbate existing urban over-crowding and service-provision challenges. New migrants to urban areas are more likely to establish themselves on marginal land, leaving them vulnerable to severe weather events, such as flooding. Further, increased movement of people will exacerbate existing land ownership insecurities and instabilities, causing ongoing displacement and community conflicts.

### **Community Based Disaster Risk Reduction**

The Pacific is one of the most natural disaster-prone regions on earth. More than any other region of the world, the natural hazard profile of the Pacific is worsening as a result of climate change. Consistent with commitments at the World Humanitarian Summit to localize humanitarian response efforts worldwide, Pacific Island Countries have been at the forefront of efforts to strengthen and empower disaster-affected communities for more effective Disaster Risk Reduction (DRR) - an integral component of effective climate change adaptation. This has included investment in community DRR through preparedness, planning, early warning, public education and disaster response training.

To its credit, MFAT has prioritized investment in DRR as a core component of its humanitarian assistance in the Pacific region. Within the OECD group of donor states, New Zealand provides a relatively high percentage of humanitarian aid to DRR programming. However, even New Zealand's funding for DRR continues to lag investment in humanitarian response, while most funding is channelled through government agencies, rather than to local community organisations and partners. New Zealand should shift its approach to ensure more funds are directed to local non-state actors. Disaster-affected communities are best positioned to identify and address their vulnerabilities. Good DRR policy and practice should align with the localisation approach endorsed by humanitarians at the World Humanitarian Summit through increased support and engagement with local community

actors. This is especially true for the most vulnerable groups – such as women, children, older people, and people with disabilities. Effective DRR approaches must adequately incorporate, identify and address the particular risks faced by these groups.

### **National adaptation and development plans**

Complementing community-based programming, the New Zealand government can support partner governments to develop and implement national adaptation plans. Pacific Island governments face multiple challenges, and it is crucial they are able to lead their countries in building resilience to climate change and adapting. New Zealand can share lessons learned from its own domestic adaptation planning with Pacific Island governments, and engage in collegial learning about how to best create and implement adaptation plans.

Because climate change will impact upon all areas of a country's development, ideally, climate change would be mainstreamed across all national development plans, with a more concrete national adaptation plan sitting alongside. Climate change is not a stand-alone issue, but part of the complex development challenges governments face. For example, in Solomon Islands, weaknesses in the land tenure system not only constrain economic activity and service provision, but lead people to construct homes and businesses on marginal land. Along the seashore in Honiara land has been reclaimed for the construction of businesses. Building has been allowed in the flood-path of the Mataniko River. Yet climate change will see the sea rise, heavier rainfall leading to flooding and landslides, and more severe storms which will erode coastal land. The use of marginal land places human lives at risk and undermines sustainable development. Mainstreaming climate change analysis enables early risk identification and management across all areas of development.

### **Regional coordination**

At the regional level, New Zealand can continue to contribute to improved coordination through existing mechanisms and organisations. Regional coordination will reduce duplication, facilitate sharing of learnings and effective practices, and streamline reporting and financing mechanisms. To quickly upscale action across the world and ensure other countries can learn from Pacific experience, it is important that New Zealand contribute to the work of the Durban Forum and Paris Committee on Capacity Building, sharing lessons learned and effective practices in adaptation programming. New Zealand can also support Pacific Island Countries to do the same.

### **Monitoring, Evaluation and Learning**

Our colleagues in the Pacific are already benefitting from increased climate change action. Yet, they tell us there is little monitoring and evaluation being undertaken on these activities. As more funding is channelled into climate change programmes, it is imperative that activities already underway are learnt from, and that new programmes have robust monitoring and evaluation systems in place, accompanied by systems to incorporate lessons learned into constant quality improvement cycles. Strategic research investments also have an important role to play here. New Zealand has opportunities here to implement adaptive monitoring, evaluation and research systems that enable quick learning and course adjustment during programming.

### **New Zealand can lead**

There are real opportunities here for New Zealand to become a leader in adaptation programming. Given the challenges across the Pacific region, there is space for inventive and pioneering approaches. Climate change requires concerted, coordinated and cohesive effort from the New Zealand government, private sector, civil society and communities, working in partnership with Pacific Island Country governments, private sectors, civil societies and communities. This partnership needs to be based on honesty, trust and respect, and mutual ambition for sustainable, shared results. These are New Zealand's principles for working across our Pacific region, and climate change programming offers

New Zealand an opportunity to concretely operationalise these principles, and share lessons learned.

## **Summary**

To lead, we recommend that New Zealand:

- takes a human rights approach and leaves no-one behind
- mainstreams a focus on resilience and adaptation through all programming, and ensures an appropriate balance in activities with a principle and significant focus on climate change.
- prioritises community-based adaptation, including for disaster risk reduction
- supports and shares lessons on national adaptation plans, and supports the integration of climate change adaptation into national development plans
- continues to improve regional coordination
- develops and implements robust monitoring, evaluation and learning mechanisms into all relevant programming.

## **Finance**

### **New and Additional, Rising**

Up until this year's government budget, New Zealand's climate finance has come from an almost stagnant ODA budget. This is unacceptable. New Zealand's ODA should be increasing at least at the same rate as its climate finance. Climate finance must be new and additional to ODA. Climate change places significant extraordinary pressures on communities, meaning climate funding needs to be separate to funding other critical development needs. With an increased ODA budget, now is the time to start transparently accounting for New Zealand's climate finance, including publication of the rate at which both climate finance and ODA are increasing. Oxfam recommends that the funding New Zealand reports against our UNFCCC obligations as climate funding is not reported towards meeting our commitment to achieve 0.7% of GNI as ODA.

### **Maintain grants**

New Zealand's climate finance is provided as grants. Oxfam New Zealand supports this approach and encourages its continuation.

### **Predominantly fund adaptation**

As outlined above, Oxfam's (McLellan & Meads, 2016, p. 83) analysis found that the vast majority of New Zealand's climate finance was spent on mitigation, with an estimated average of 60% spent on mitigation during the Fast-Start Finance (FSF) period, rising to an approximate average of 80% in the post-FSF period. This 80% focus on mitigation was anticipated to continue until 2020. Given the Pacific region contributes negligibly to global emissions, this preponderance on mitigation is inappropriate. As a baseline target, New Zealand must raise its adaptation expenditure to at least 50% of its climate finance, in line with New Zealand's Paris Declaration commitments. Oxfam New Zealand suggests that New Zealand be aspirational, and commit to expand its adaptation financing to 80%, given the Pacific's high needs for adaptation and very low contribution to global emissions.

### **Simplify funding mechanisms**

Large Ocean States (LOS) / Small Island Developing States (SIDS) and Least Developed Countries (LDCs) struggle to apply to complex funding mechanisms, such as the Global Climate Fund. New Zealand's work to assist Pacific Island Countries to apply to the GCF is welcome and should continue. We also encourage New Zealand to advocate on behalf of LOS/SIDS and LDCs, and take action to simplify application processes for the GCF and

other climate finance mechanisms, so that those countries that most need the funding are not prevented from accessing it.

### **New Zealand can lead**

In terms of climate finance, New Zealand again has opportunities to be a global leader. Some Pacific communities in New Zealand have close links with communities in Pacific Island Countries, particularly in Polynesia and Kiribati. MFAT's 'Pacific Reset' holds the potential for MFAT to pilot inventive approaches to channelling remittances into climate adaptation action and for raising funding in New Zealand to support people forced to migrate to New Zealand due to climate change.

Pacific Island Countries did not cause climate change, but they are facing locked-in impacts that will exceed their abilities to adapt. For this reason, they need greater action on financing for loss and damage. Given New Zealand's Pacific focus and MFAT's Pacific Reset, New Zealand can lead the world in pioneering funding mechanisms for loss and damage. While we need to promote loss and damage funding criteria, and a global target for loss and damage funding, there is also the need to develop actual funding mechanisms (beyond insurance). New Zealand could do this.

### **Summary**

To lead, Oxfam recommends that New Zealand:

- continues to increase its climate finance in proportion to increases in ODA, and transparently account for both
- maintains its climate finance as grants
- aspires to provide 80% of its climate finance to adaptation
- works to simplify global funding mechanisms
- pioneers mechanisms to fund support for people who are forced to migrate, and other aspects of loss and damage.

Oxfam New Zealand, Oxfam in the Pacific, and our Oxfam colleagues around the world are working to support people to survive climate change and prevent its impacts from unravelling development gains. We would be pleased to share what we've learned with MFAT, as MFAT further develops its climate action portfolio. We would also welcome the opportunity to participate in a sector-wide working group of some sort, to build collective learning and knowledge about programming in this area. In the first instance, please contact Joanna Spratt, Advocacy and Campaigns Co-Director: [joanna.spratt@oxfam.org.nz](mailto:joanna.spratt@oxfam.org.nz).

Climate change is humanity's greatest security threat. With MFAT's Pacific Reset and the government's prioritisation of climate change, gender justice and youth issues, we believe that New Zealand can become a leader in meaningful action to ensure all people can enjoy prosperity, peace and justice.