

Dialogue Report 20 November 2019 – Suva, Fiji

The UNDP Pacific Office in Fiji

Introduction

Pacific Island countries and territories are extremely exposed to the impacts of climate change and natural hazards, which pose major challenges for the development aspirations of the people and their environmentⁱ. There is an increasing recognition in the region that managing climate change and disaster risk is more than responding to emergencies and building back better. It is about "doing development right so that people are safer in the first place"ⁱⁱ and recognising that "development itself can be a source of disasters"ⁱⁱⁱ. To this end, countries in the Pacific have been able to access significant levels of financing (upwards of USD1.1billion^{iv}) to address risks associated with climate change and disaster events. However, the vast majority of this funding is delivered through projects, outside of the purview of development budgeting and planning system.

Whilst the focus has historically been on gaining access to climate financing, more questions are being raised around the effectiveness^v of this financing. To start addressing questions of effectiveness, a Regional Governance for Resilience dialogue was held in Suva, Fiji on the 19th and 20th November 2019. The objectives of the dialogue were to:

- Generate and diffuse knowledge for more effective and equitable risk informed development
- Facilitate peer-to-peer cooperation and technical assistance to increase capacity for risk informed development.

The dialogue represents the Pacific portion of the Asia-Pacific <u>Climate Finance Network (CFN)</u>. The CFN works across the following six thematic areas, the first four of which were explored at the dialogue in Suva in November: (1) financing risk informed development; (2) gender and social inclusion; (3) local governance for resilience; (4) transparency and accountability; (5) modelling economic impacts on economic growth; (6) direct access to international climate finance. Discussions began to unpack three questions: what are we learning; how can we share; and how can we support each other?

The dialogue was hosted by the recently launched UNDP Governance for Resilient Development in the Pacific (Governance for Resilience) project, and supported by partners including UN Women, the Pacific Islands Forum Secretariat (PIFS), the Pacific Community (SPC), the Citizens Constitutional Forum (CCF) and the Commonwealth Local Government Forum (CLGF). It was attended by representatives from Fiji, Kiribati, Solomon Islands, Tonga and Vanuatu, but moving forward is open to representatives from any Pacific Island Country. The partners supporting the dialogue and the UNDP Gov4Res project are:



Call for a new way of working

"Development can be a source of disaster..."

Dr. Melchior Mataki Permanent Secretary of the Ministry of Environment in Solomon Islands

"Financing climate change is an opportunity to leverage financing for sustainable development..."

Susan Sulu

Climate Change Finance and Planning Officer of the Pacific Islands Forum Secretariat



"Climate finance is development finance..."

Vineil Narayan Climate Finance Specialist of the Fiji Ministry of Economy

"It's important to have flexibility but with a common objective..."

Karin Takeuchi Deputy Resident Representative of the UNDP Pacific Office in Flji



Dialogue key messages

FINANCING FOR RISK INFORMED DEVELOPMENT

"Climate financing can be used to leverage financing for sustainable development goals", Susan Sulu, Pacific Islands Forum Secretariat

There has been a shift in consciousness in recent years in the Pacific region, from a focus on direct access to climate finance to a recognition that in order to enhance resilience, countries need to treat 'climate finance as development finance'^{vi}. Countries 'need finance for resilience'^{vii}, which means 'using climate finance to address our development needs'^{viii}. In order to do so, more emphasis needs to be placed on the effectiveness and not just the amount of climate finance accessed, and the role domestic systems reform can play in enhancing the impact of and untangling the climate finance 'spaghetti'^{ix}. Importantly, there is a corresponding need for countries to track climate and development finance separately to meet their international ODA responsibilities^x and transparency and accountability standards, which can become especially difficult for small administrations.

Countries face a number of challenges accessing and utilising climate finance, including "absorptive capacity, donor trust in national budgetary systems'^{xi}, and "coordination of both on and off budget support"^{xii}. Nonetheless, PICs are already using their own systems to innovate and respond to the challenges posed by climate change and disasters^{xiii}, for instance working to better allocate domestic resources by undertaking a climate finance gap assessment, better targeting donor financing^{xiv} and commencing a process of climate budget tagging and associated reform. Additionally, PICs typically have a strong policy platform in place (e.g. sustainable development policies) however broader reform of domestic systems is required to ensure the policies are effectively financed and operationalised. "Countries can develop all the policies in the world, but until they are operationalised, they are meaningless"^{xv}.

Lastly, regional dialogues on these issues are maturing. The next step is to strengthen thinking around how broader governance and system reform will also strengthen utilisation of development and risk-informed financing more broadly. "We need to build political will in the region to move towards a resilient region"^{xvi}.

GENDER AND SOCIAL INCLUSION

"Gender and social inclusion issues are central to understanding and managing risk", Ravulo S. Naulumatua

Climate change and disaster risk cannot be understood without recognising the gender and social inclusion (GSI) dimensions of vulnerability and capacity, as impacts of these events are not gender neutral^{xvii}. In fact, climate change and disaster event exacerbate poverty^{xviii}. For a lot of practitioners in the Pacific, GSI is a new concept^{xix}. Therefore, ensuring that GSI is central to development decision making requires investing in and building meaningful partnerships across ministries^{xx}, civil society organisations^{xxi} and with other key agencies. It also requires allocating financial and technical resources to women's machinery and civil society organisations (CSO)^{xxii}, for instance by investing in gender focal points across

all government ministries^{xxiii}. It is also critical that gender and social inclusion needs are thought about right at the beginning of development design^{xxiv}.

Accountability and oversight functions also have a critical role to play in supporting progress towards more gender and socially inclusive development. For instance, parliaments and parliamentary committees can integrate gender perspectives into audit report requirements, screening of budgets, through donor requests and by providing oversight of the implementation of gender equality and mainstreaming initiatives^{xxv}. Gender responsive CSO mechanisms can also ensure that the needs and interests of all genders are visible and included, and therefore that the governments are accountable for ensuring the whole population are catered for. For instance, the Fiji Women's Rights Movement are already monitoring budgets for to ensure they reflect the needs of all groups^{xxvi}.

Finally, country networks, such as Protection in the Pacific (ProPa), provide a useful community of practice^{xxvii} and sphere of influence for ensuring country perspectives influence the regional organisations and facilitating cross country learning.

LOCAL GOVERNANCE FOR RESILIENCE

"We as partners are creating capacity gaps at the local level by introducing external assessment criteria and expectations", Akuila Masi, Pacific Office Commonwealth Local Government Forum

Currently, measures to address climate change and disaster risks tend to bypass or fall outside of local government development planning, budgeting^{xxviii} and programme implementation systems in the Pacific. This is despite strong evidence that utilising existing governance mechanisms^{xxix} and working from within local systems^{xxx} nurtures ownership and sustainability of management measures, and encourages creativity and use of local knowledge and traditions. At the local level, the approach^{xxxi} to strengthening resilience is as important as the intervention itself. There needs to be a genuine interest^{xxxii} in engaging with and understanding the significant diversity both within countries and across countries^{xxxiii}, which requires more than fly in fly out technical experts.

Sustained and meaningful partnerships are key to strengthening resilience at the local level, as was demonstrated through the successful implementation of Tonga Agriculture Sector Plan^{xxxiv}, Tukuraki Township^{xxxv} and the Solomon Islands Provincial Governance Strengthening Program^{xxxvi}. Similar to the national level, local level government and sectors often have strong policy platforms, but operationalising, financing and ensuring there is sufficient human capacity is often difficult^{xxxvi}.

Finally, ensuring that the voice of local government reaches national and regional spaces and vice versa is challenging, but critically important. This is both to ensure that global concepts are localised^{xxxviii} and that regional discussions are grounded with the realities and needs of Pacific communities.

Looking forward

Following a fruitful two-day dialogue, in his closing remarks, Solomon Islands Permanent Secretary MECDM Dr Melchior Mataki highlighted that "as country partners we need a space to talk", however "any regional work is only as good as what's happening at the national and local level". As the Pacific is a predominantly verbal society, striking a balance between facilitating face-to-face platforms and remote and written connectivity is essential.

With this in mind, the UNDP Governance for Resilience project will:

- Facilitate annual Regional Governance for Resilience dialogues, using this platform to prepare Pacific inputs into the Asia-Pacific Climate Finance Network (CFN) and other regional and global fora.
- Facilitate regular "work stream" discussions on thematic areas, such as financing risk informed development; gender and social inclusion; local governance for resilience; and transparency and accountability.
- Seek national and development partner specialists/champions to lead on respective thematic work streams where appropriate and where there is interest, whilst itself supporting: face-to-face dialogues and e-based discussions. The project will also support:
 - Peer-to-peer exchange between countries on specific thematic areas;
 - o Development of joint knowledge products with input from Pacific countries to influence regional and global dialogues and frameworks.

- ^{iv} Susan Sulu, Pacific Islands Forum Secretariat
- v Ibid
- vi Vineil Narayan, Ministry for Economy, Fiji

- * Hudson Kauhiona, Director Climate Change, MECDM, Solomon Islands
- xi Walolyn Hamata, Climate Finance Unit, Ministry of Finance and Treasury, Solomon Islands
- xii Tony Kaltong. Department of Finance and Treasury, Vanuatu
- xiii Susan Sulu, Pacific Islands Forum Secretariat
- xiv Vineil Narayan, Ministry for Economy, Fiji
- ×v Ibid

- xvii Dr Subhashni Raj, Programme Analyst, UN Women Pacific Office
- xviii Vineil Narayan, Ministry for Economy, Fiji
- xix Aaron Pitaqae, Director, Ministry for Women, Youth, Children and Family Affairs, Solomon Islands

- xxi Louchrisha Hussain, Chief Executive Officer, Fiji Citizens Constitutional Forum
- xxii Ibid
- xxiii Aaron Pitaqae, Director, Ministry for Women, Youth, Children and Family Affairs, Solomon Islands
- xxiv Dr Subhashni Raj, Programme Analyst, UN Women Pacific Office
- xxv Kakala Lutui, Team Leader, Advisor to the Public Account Committee, Legislative Assembly of Tonga
- xxvi Louchrisha Hussain, Chief Executive Officer, Fiji Citizens Constitutional Forum
- xxvii Ravulo Naulumatua, Project Coordinator Climate Change Disaster Risk Management, Ministry for Women, Children and Poverty Alleviation, Fiji
- xxviii Akuila Masi, Pacific Office Commonwealth Local Government Forum
- xxix Permanent Secretary MECDM. Dr Melchoir Mataki. Solomon Islands
- xxx Elisaia Ika, TASP ICU Coordinator, Ministry of Agriculture, Forests and Food, Tonga
- xxxi Permanent Secretary MECDM, Dr Melchoir Mataki, Solomon Islands
- ^{xxxii} Ibid

- xoov George Dregaso, Senior Climate Change and Disaster Risk Management Officer, Ministry of Infrastructure, Fiji
- xxxvi Permanent Secretary MECDM, Dr Melchoir Mataki, Solomon Islands
- xxxxii Elisaia Ika, TASP ICU Coordinator, Ministry of Agriculture, Forests and Food, Tonga
- xxxviii Akuila Masi, Pacific Office Commonwealth Local Government Forum

ⁱ Framework for Resilient Development in the Pacific

[&]quot; Lu'isa Uai Taunga, MEIDECC, Tonga

^{III} Permanent Secretary MECDM, Dr Melchoir Mataki, Solomon Islands

vii Susan Sulu, Pacific Islands Forum Secretariat

viii Tony Kaltong, Department of Finance and Treasury, Vanuatu

ix Susan Sulu, Pacific Islands Forum Secretariat

^{xvi} Ibid

^{**} Dr Subhashni Raj, Programme Analyst, UN Women Pacific Office

xxxiii Akuila Masi. Pacific Office Commonwealth Local Government Forum

xxxiv Elisaia Ika, TASP ICU Coordinator, Ministry of Agriculture, Forests and Food, Tonga

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