



# Regional Synthesis Report of the Pacific Climate Change and Disaster Risk Finance Assessments

August 2019





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Suva, Fiji, 2019

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Original text: English

Pacific Community Cataloguing-in-publication data

Regional Synthesis Report of the Pacific Climate Change and Disaster Risk Finance Assessments: August 2019

1. Risk management — Oceania.
2. Disasters — Oceania.
3. Environment — Oceania.
4. Climatic changes — Oceania.
5. Climatic changes — Management — Oceania.
6. Climatic changes — Environmental aspects — Oceania.
7. Environment — Management — Oceania.

I. Title II. Pacific Community III. Pacific Islands Forum Secretariat

577.220995

AACR2






ISBN: 978-982-00-1203-5

Prepared for publication at SPC's Suva Regional Office,  
Private Mail Bag, Suva, Fiji, 2019

[www.spc.int](http://www.spc.int) | [spc@spc.int](mailto:spc@spc.int)

Printed by Quality Print Limited, Suva, Fiji, 2019

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## List of Abbreviations

<b>ADB</b>	Asian Development Bank
<b>AF</b>	Adaptation Fund
<b>AUD</b>	Australian Dollar
<b>AusAID</b>	Australian Agency for International Development
<b>CHICCHAP</b>	Choiseul Integrated Climate Change Programme
<b>CC</b>	Climate Change
<b>CCA</b>	Climate Change Adaptation
<b>CCDR</b>	Climate Change and Disaster Risk
<b>CCDRM</b>	Climate Change and Disaster Risk Management
<b>CIF</b>	Climate Investment Fund
<b>COFA</b>	Compact of Free Association
<b>COP</b>	Conference of Parties
<b>CPEIR</b>	Climate Public Expenditures and Institutional Review
<b>CROP</b>	Council of Regional Organisations in the Pacific
<b>CSO</b>	Civil Society Organisation
<b>DFAT</b>	Department of Foreign Affairs and Trade
<b>DRM</b>	Disaster risk management
<b>DRR</b>	Disaster risk reduction
<b>DSPPAC</b>	Department of Strategic Policy, Planning and Aid Coordination (Vanuatu)
<b>ESS</b>	Environment and social safeguards
<b>EU</b>	European Union
<b>FRDP</b>	Framework for Resilient Development in the Pacific
<b>GCCA</b>	Global Climate Change Alliance
<b>GCF</b>	Green Climate Fund
<b>GDP</b>	Gross domestic product
<b>GEF</b>	Global Environment Facility
<b>GIZ</b>	Deutsche Gesellschaft für Internationale Zusammenarbeit
<b>GRB</b>	Gender Responsive Planning and Budgeting
<b>GSI</b>	Gender and Social Inclusion
<b>IMF</b>	International Monetary Fund
<b>JNAP</b>	Joint National Action Plan
<b>JSAP</b>	Joint State Action Plan
<b>MOF</b>	Ministry of Finance (Samoa)
<b>MoFT</b>	Ministry of Finance & Treasury (Solomon Islands)
<b>NCCCT</b>	National Climate Change Country Team
<b>NDC</b>	National Disaster Committee
<b>ODA</b>	Overseas Development Assistance
<b>LDC</b>	Least developed country
<b>MCT</b>	Micronesia Conservation Trust
<b>M&amp;E</b>	Monitoring and evaluation
<b>NAB</b>	National Advisory Board for Climate Change and Disaster Risk Reduction (Vanuatu)
<b>NGO</b>	Non-governmental organisation
<b>NIE</b>	National Implementing Entity
<b>NSDP</b>	National Sustainable Development Plan
<b>PaCE-SD</b>	Pacific Centre for Environment and Sustainable Development
<b>PEFA</b>	Public Expenditure and Financial Accountability
<b>PFM</b>	Public Financial Management





<b>PFTAC</b>	Pacific Financial Technical Assistance Centre
<b>PICs</b>	Pacific Island Countries
<b>PIFS</b>	Pacific Islands Forum Secretariat
<b>RMI</b>	Republic of the Marshall Islands
<b>ROC</b>	Republic of China (Taiwan)
<b>RTSM</b>	Regional Technical Support Mechanism
<b>SDG</b>	Sustainable Development Goal
<b>SIDS</b>	Small Island Developing States
<b>SPREP</b>	Secretariat of the Pacific Regional Environment Programme
<b>UNDP</b>	United Nations Development Programme
<b>UNFCCC</b>	United Nations Framework Convention on Climate Change
<b>USAID</b>	United States Agency for International Development
<b>USD</b>	United States Dollar
<b>USP</b>	University of the South Pacific
<b>WB</b>	World Bank







# Acknowledgement

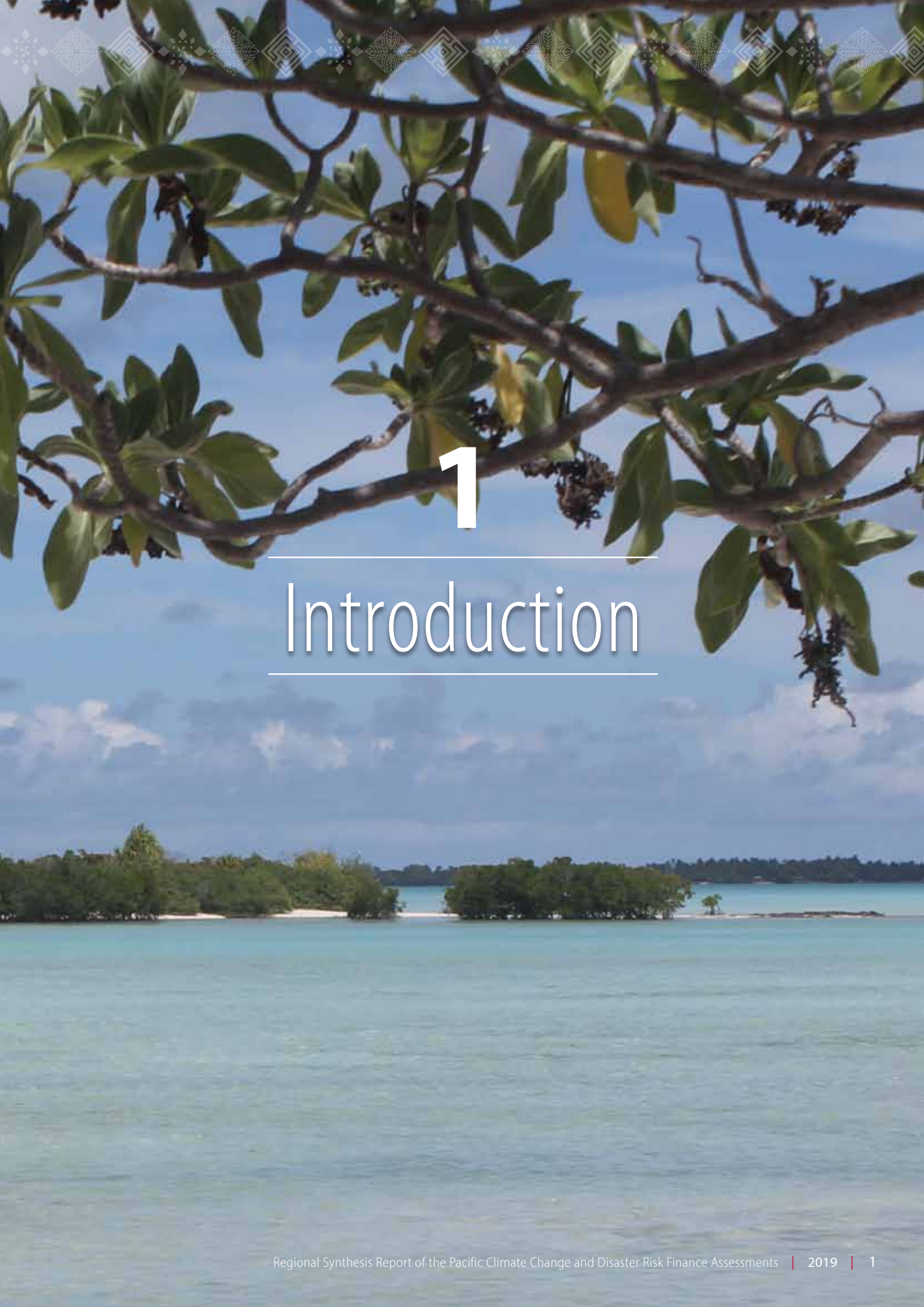
The development of this Regional Synthesis Report was financially supported by the United States Agency for International Development (USAID) through the Pacific Community (SPC) Institutional Strengthening for Pacific Island Countries to Adapt to Climate Change (ISACC) Project. It was drafted and compiled by Stephen Boland, Linda Vaike, Exsley Taloiburi and Lisa Buggy.

Support was also provided by the Pacific Islands Forum Secretariat (PIFS), the Australian Department of Foreign Affairs and Trade (DFAT)/GIZ Climate Finance Readiness in the Pacific Project, the Pacific Community (SPC) Social Development Programme, the USAID Climate Ready and ADAPT Asia-Pacific Projects, the Asian Development Bank (ADB), United Nations Development Program (UNDP), UN Women, the Pacific Financial Technical Assistance Centre (PFTAC), and the Secretariat of the Pacific Regional Environment Programme (SPREP).









# 1

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# Introduction

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## 1.1 Background

The Pacific Island Countries (PICs) are at the frontline of the impacts of climate change and face existential threats to their nations as a result. The PICs have also been among the most vocal advocates of the need to undertake urgent global climate change (CC) mitigating measures and to be supported to adapt to its impacts.

In the fight against climate change, it has become increasingly evident that Disaster Risk Management (DRM) substantially overlaps with the impacts of climate change. For resilient development to be successful, better access to, and use of, existing and emerging funding sources for both climate change and disaster risk management (CCDRM) is essential.

In 2012 at the annual meeting of the Pacific Islands Forum Leaders<sup>1</sup>, Leaders tasked the Pacific Islands Forum Secretariat (PIFS) to “work with other CROP agencies<sup>2</sup> and development partners, to continue to assist Pacific Island Countries (PICs) in effectively responding to climate change, including climate change financing, noting that many challenges remain in realising the benefits from the pledged new and additional climate change finance of the Copenhagen Accord”<sup>3</sup>.

In response to the call from Leaders, the Pacific Climate Change Finance Assessment Framework (PCCFAF) was prepared to help PICs approach climate change and disaster risk (CCDR) financing in an informed way, commensurate with their specific circumstances. The need for a distinct framework for PICs arose since other approaches did not always consider aspects relevant to the situation of Pacific small-island developing states (Pacific SIDS). Rather than developing a parallel framework, the PCCFAF blended Pacific-relevant aspects, especially CCDRM funding sources and capacity, into existing assessment approaches.<sup>4</sup> Rather than developing a totally new framework, and owing to the significant work that has already taken place at both the international and regional levels, the PCCFAF builds on other existing international and regional frameworks, including the Climate Public Expenditure and Institutional Review (CPEIR), Forum Compact on Development Effectiveness, Public Expenditure and Financial Accountability (PEFA), Public Financial Management reforms/roadmaps, the Paris and Busan Principles of Aid Effectiveness and others.

## 1.2 Scope and Purpose of Report

This report is an initial synthesis of the key observations and recommendations from the application of the PCCFAF (and CPEIR) across ten PICs. Climate Change and Disaster Risk Finance Assessment reports from when the PCCFAF was first rolled out (Nauru Case-Study) in 2013, to mid-2019 were reviewed. The review process revealed common regional observations and issues across the seven pillars of the PCCFAF, discussed in Section 3.

In a region where many of the approaches to CCDR financing are collectively decided, and lesson sharing and exchange is common-place, observations that are consistent across PICs, and recommendations, from the CCDR finance assessment reports, provide useful resources for countries as they navigate their way around the complex landscape and stringent requirements of the global CCDR finance architecture.


As an initial synthesis, this report serves many purposes and has far reaching implications. At the very outset, the report is a culmination of the ongoing need to have assessments specific to Pacific SIDS and not group them under the broader Asia-Pacific regional grouping. This report serves as a baseline for regional observations regarding access to, and management of, CCDR finance in the region. It will also allow for specific and targeted

1 Pacific Islands Forum Leaders meet annually to develop collective responses to regional issues. The Forum’s membership has increased from the original seven founding members (Australia, Cook Islands, Fiji, Nauru, New Zealand, Tonga and Samoa) to also include the Federated States of Micronesia, Kiribati, Niue, Republic of the Marshall Islands, Palau, Papua New Guinea, Solomon Islands, Tuvalu, Vanuatu, New Caledonia and French Polynesia. The Pacific Island Forum Secretariat (PIFS) is the Secretariat and administrative arm of this meeting. Members of this group are referred to as Forum Island Countries (FICs).

2 The Council of Regional Organisations in the Pacific (CROP) brings together several regional intergovernmental agencies: the Pacific Community (SPC); the Forum Fisheries Agency (FFA); the Secretariat of the Pacific Regional Environment Programme (SPREP); the Pacific Islands Development Program (PIDP); the South Pacific Tourism Organisation (SPTO); the University of the South Pacific (USP); the Pacific Aviation Safety Organisation, and the Pacific Power Association. The Pacific Islands Forum Secretariat acts as CROP’s permanent chair and provides secretariat support.

3 PIFS (2012), Forty-third Pacific Islands Forum Communiqué, Rarotonga, Cook Islands, 28–30 August 2012, p. 6.

4 Pacific Islands Forum Secretariat (PIFS), 2013, Pacific Climate Change Finance Assessment Framework, Final Report, May 2013.



interventions dealing with regional CCDR challenges – an important consideration relating to the Forum Leaders' call that resulted in the development of the PCCFAF in 2013. It is intended that this synthesis will form the basis for establishing a tracking mechanism that monitors and evaluates the outcomes of the recommendations/ action plan in the respective country reports.

## 1.3 How Information was Collected and Analysed

Information for this report was compiled through review of completed PCCFAF and CPEIR reports. A total of 10 country reports for the Federated States of Micronesia (FSM), Fiji<sup>5</sup>, Kiribati, Nauru<sup>6</sup>, Palau, Republic of Marshall Islands<sup>7</sup>, Tonga<sup>8</sup>, Samoa<sup>9</sup>, Solomon Islands<sup>10</sup> and Vanuatu<sup>11</sup> were reviewed. Key observations and recommendations were synthesised and are presented in Section 3.

It is important to note that information provided in Section 3 (Synthesis of Climate Change and Disaster Risk Finance Assessments in Pacific Island Countries) is primarily based on the PCCFAF and CPEIR assessment reports.

While a regional synthesis is important to monitor regional observations and recommendations, the need to address country-specific issues cannot be over-emphasised. To cater for this, 14 matrices were prepared – one for each Pacific Island country – as a tool to assess, from a PCCFAF perspective, the ability and readiness of a country to access, use and report on climate change and disaster risk finance. The PCCFAF matrices help frame consideration of PICs' readiness for accessing and using CCDR finance. The matrices provide a tool to help countries focus on the areas that require additional attention.

Initial work on the matrices was undertaken at the USAID Adapt Asia-Pacific Project Second Annual Meeting in Nadi, Fiji, in June 2013; it was complemented by a desktop review undertaken by PIFS and USAID Adapt Asia-Pacific Project in 2016. The matrix updates undertaken in early 2016 were informed by the climate change finance work around the region, including PCCFAF and CPEIR assessments. At this time the matrices were expanded to include an extra column to accommodate the new Pillar for GSI, while the content of the matrices was also expanded to accommodate DRM considerations to bring it in line with regional thinking and the Framework for Resilient Development in the Pacific (FRDP). With financial support from the USAID/SPC Institutional Strengthening of PICs to Adapt to Climate Change (ISACC) Project, PIFS was able to further update and finalise this synthesis report in 2019 capturing information from recent PCCFAF assessments completed post-2016.

## 1.4 Limitations

It is important to note that since this is the first regional synthesis from the implementation of the PCCFAF, the report is not exhaustive and may have some limitations. Notable challenges were experienced in the process of synthesis: different timeframes for country assessments; inconsistencies in monetary units used (although USD is primarily used, a few countries report on AUD and their local currencies); and the assessment tools (most countries used the PCCFAF and a few used CPEIR). Section 2 discusses the key pillars of the PCCFAF, which is tailored to the unique context of the PICs. These issues, compounded by data limitations at the individual country level, make presenting quantified aggregates of total regional CCDR finance flows a challenge.<sup>12</sup>

5 Fiji CPEIR Report available at: <https://www.forumsec.org/wp-content/uploads/2018/10/Fiji-CPEIR-Report-comp.pdf>

6 Nauru PCCFAF Report available at: <https://www.forumsec.org/wp-content/uploads/2018/09/Nauru-Case-Study.pdf>

7 RMI PCCFAF Report available at: <https://www.forumsec.org/wp-content/uploads/2018/09/RMI-CCF-Assessment.pdf>

8 Tonga CFRGA Report Available at: <https://www.forumsec.org/wp-content/uploads/2018/10/Tonga-CFRGA-Report-comp-2.pdf>

9 Samoa CPEIR Report available at: <https://www.forumsec.org/wp-content/uploads/2018/09/Samoa-CPEIR-Report.pdf>

10 Solomon Islands PCCFAF Report available at: <https://www.forumsec.org/wp-content/uploads/2018/09/Samoa-CPEIR-Report.pdf>

11 Vanuatu PCCFAF available at: <https://www.forumsec.org/wp-content/uploads/2018/10/Tonga-CFRGA-Report-comp-2.pdf>

12 This has been undertaken using other methodologies – SEI report



## 1.5 Structure of Report

This report seeks to inform decision-making processes at the international, regional and national levels. The report provides information on the background, scope, methodology and limitations, and discusses the PCCFAF pillars and their use, followed by a regional synthesis of common trends and issues. Where specific observations are required, individual country matrices are provided as an annex to this report. The matrices contain summaries of country observations.







# 2

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## Tailoring Climate Change and Disaster Risk Finance Dimensions to the Pacific Context

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## 2.1 The PCCFAF Pillars

The original PCCFAF was prepared to assess the PICs' ability to access and manage climate change resources across six interrelated dimensions or pillars. These dimensions demonstrated the cross-cutting nature of climate change financing and how these are inextricably linked to mainstream aspects of national development planning and budgeting.

The original PCCFAF dimensions of climate change financing were:

1. Funding Sources
2. Policies and Plans
3. Institutions
4. Public Financial Management and Expenditure
5. Human Capacity
6. Development Effectiveness.

Box 1 presents the definitions of the six original dimensions of Climate Change Financing within the context of the Pacific.

### Box 1: Definitions of PCCFAF Dimensions of Climate Change Financing

- **Funding Sources** – The Funding Source Analysis provides a comprehensive understanding of the climate change finance landscape. It will assist a country to determine how much and what type of support is available from the range of global, bilateral and regional funding sources, and ultimately help determine their eligibility to access these funds.
- **Policies and Plans** – The Policy and Planning Analysis provides an understanding of the mix of policies and plans a country has developed to guide its climate change work programme. It considers the strength of the existing policy mix, and processes for development, review and implementation of these policies and plans.
- **Institutions** – The Institutional Analysis assesses the rules, organisations and social norms that facilitate progression toward a country's climate change goals. The analysis considers issues such as organisational structure and processes; political, legal and cultural frameworks; coordination and collaboration with external stakeholders; clarity of roles and responsibilities; and infrastructure.
- **Public Financial Management and Expenditure** – The Public Financial Management and Expenditure Analyses consider the strength of a country's public financial management systems and the extent to which fiscal policy is sustainable, whether expenditure is having the desired effect on achieving policy objectives and whether there is value for money in service delivery.
- **Human Capacity** – The Human Capacity Analysis assesses the ability of individuals to manage programmes and projects; individual attitudes, knowledge, behaviour and actions; and how a country manages and develops the awareness, understanding and skills of its human resources.
- **Development Effectiveness** – The Development Effectiveness Analysis considers the link between climate change and broader development effectiveness efforts. It considers issues such as ownership, leadership, alignment, harmonisation, managing for results and mutual accountability.

*Source: Pacific Islands Forum Secretariat (PIFS), (2013), Pacific Climate Change Finance Assessment Framework, Final Report, May 2013.*

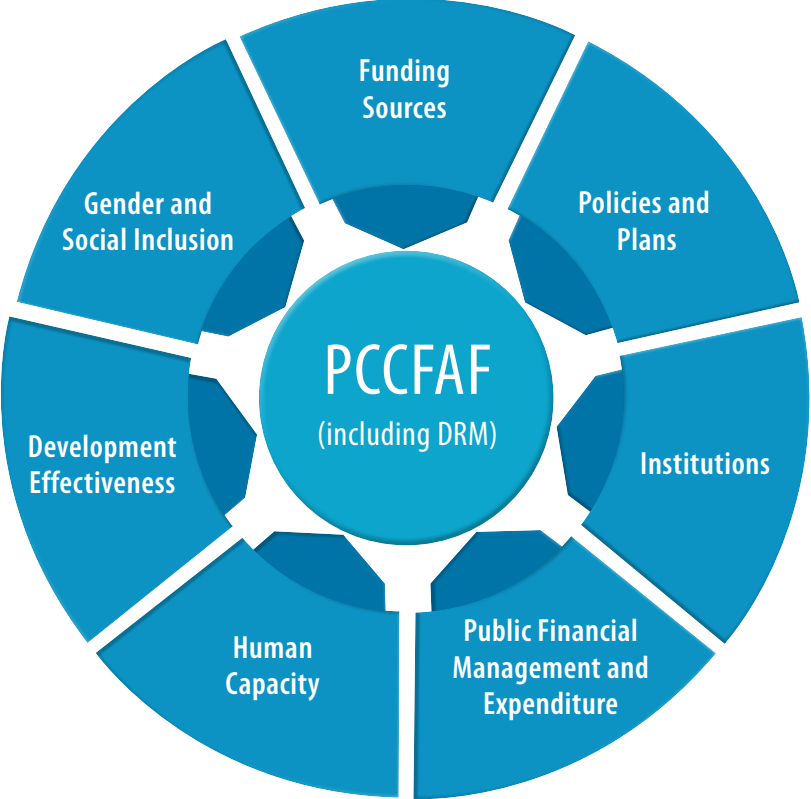
Since the development of the PCCFAF in 2013 it has become apparent that the methodology could be strengthened by broadening the scope of CC financing to include financing for DRM. In PICs the issues of CC and DRM are considered to be inextricably linked. This has been reflected within the FRDP, endorsed by Forum Leaders in 2016. This is a regional framework developed to provide an integrated approach to address climate change and disaster risks in recognition of the clear overlaps between climate change adaptation and disaster risk reduction, and the similar tools and resources required to address risks at both policy and programme level.

While the definition of CC financing needs to be broadened, there has also been a recognition that there was a missing component in the original six dimensions, or pillars, of the PCCFAF. That missing element was **Gender and Social Inclusion (GSI) – Pillar 7** (see Figure 1). The importance of including an analysis of GSI issues stemmed from increased awareness that consideration of vulnerable groups is a critical aspect in effectively addressing CCDRM issues. As a consequence, development partners require that interventions and funding are conditional on specific inclusion of GSI issues in the design, implementation and reporting of projects.

This shift has been reflected with the specific requirement that Environmental and Social Safeguards (ESS) and gender considerations need to be adequately addressed by applicants in submissions for direct access to the Green Climate Fund (GCF), the Adaptation Fund (AF) and other major funding mechanisms. The GSI dimension reflects the reality that global CCDRM financing institutions are increasingly recognising both a responsibility and a practical imperative to integrate GSI considerations into their programming. Projects that clearly articulate how they address ESS and gender issues have a better chance of being approved.

There is no definition for Gender and Social Inclusion in the PCCFAF since this dimension was added after the original framework was finalised. However, below is a brief attempt to define GSI as assessed with respect to climate change and disaster risk management.

**Gender and Social Inclusion** – This dimension considers to what extent GSI considerations have been mainstreamed through society and systems including consultation with stakeholders in the development of plans and policies as well as project design and implementation. It assesses how gender elements have been integrated into the daily functioning of different Government and community organisations especially when it comes to climate change adaptation and disaster risk reduction functions. Compliance with best practice on GSI policies, and mainstreaming, needs to be consistent with the social safeguards of the major climate finance funding agencies.



**Figure 1:** Seven Pillars of the PCCFAF

## 2.2 Application of the PCCFAF in Pacific SIDS

Since PCCFAF was developed in 2012, PIFS and other development partners have undertaken CCDR finance assessments in most of the Pacific SIDS. To date (2019), a total of 10 countries have undergone CCDR finance assessments using the PCCFAF and the complementary UNDP-led CPEIR framework. Nauru (2012), Republic of Marshall Islands (2014), Tonga (2015), Solomon Islands (2017), Vanuatu (2018)<sup>13</sup>, Kiribati (2018), Palau (2018) and Federated States of Micronesia (2019) were assessed using the PCCFAF while Samoa (2012), Fiji (2014) and Vanuatu (2013) used the CPEIR. Papua New Guinea (PNG) has not applied the full PCCFAF assessment, although a secondment of a staff member from PIFS in 2018 resulted in an Options Paper for strengthening climate finance coordination and accessibility, using selected dimensions from the PCCFAF. Table 1 is a summary of the assessments completed.

**Table 1:** Status of PCCFAF and CPEIR assessments completed

Country	Complete	Notes
Samoa	CPEIR-2012	CC finance
Nauru	PCCFAF-2013	CC finance
RMI	PCCFAF-2014	CC finance
Vanuatu	CPEIR-2014 & PCCFAF-2017	CC finance, 2017 CCDR finance + GSI
Fiji	CPEIR-2014	CCDR finance
Tonga	PCCFAF-2015	CCDR finance + GSI
Solomon Islands	PCCFAF-2016	CCDR finance + GSI + provinces
Palau	PCCFAF-2017	CCDR finance + GSI
FSM	PCCFAF-2018	CCDR finance + GSI
Kiribati	Budget Review 2013 PCCFAF-2018	CCDR finance + GSI & ocean finance
PNG	Brief Review using PCCFAF pillars - 2018	Policies & Plans, Human Capacity, Institutions, Funding Sources

Several PICs are using the recommendations in the assessment reports to strengthen their readiness and enabling environment to be able to access more international climate change finance and effectively manage it. The PCCFAF reports provide an Action Plan to respective countries and identify the lead national agency on each priority as well as potential partners that can assist. In Solomon Islands, for example, the Ministry of Finance and the National Transport Fund have been identified as potential national implementing entities to the GCF. Since then, partners have stepped in to help the government progress that work. Similarly, a new Climate Finance Unit has been established in the Ministry of Finance and resourced with an officer, through external funding support. PICs also see value in the data as the baseline for country reporting against the Paris Agreement and the Sustainable Development Goals.

In addition, the country assessments have drawn together a multi-agency approach and facilitated joint missions to PICs. Having a multi-agency approach was important to ensure a range of partners were informed of and could implement selected recommendations from the country reports.

Important observations and trends have emerged from assessments for 10 of the 14 PICs. There is also improved understanding of the regional CCDR finance landscape in the Pacific. This informs policy decisions by national governments and assists in targeting national readiness activities, for direct access and ensuring the effective implementation of funds received. While country-specific issues are evident across respective countries, common observations and trends were also evident. This is expected, as countries face similar issues and challenges when it comes to addressing CCDRM. The next step is to increase emphasis in tracking the outcomes of the PCCFAF and CPEIR recommendations, strengthening public financial management systems in the countries, promoting private sector engagement, and seeking clarity on financial flows and the impacts of investment and expenditure.

<sup>13</sup> Vanuatu applied CPEIR in 2013 and PCCFAF in 2018.

## 2.3 Application of the PCCFAF outside the Pacific Region

While the PCCFAF methodology was prepared with Pacific Island countries (PICs) in mind, the methodology has potentially broader application beyond the Pacific region. Like the UNDP Climate Public Expenditure and Institutional Review (CPEIR) methodology<sup>14</sup>, the PCCFAF methodology focuses on fiduciary aspects of access to, and use of, climate finance; however, it builds on the CPEIR methodology and takes a slightly different approach based on PIC experience.

For example, the PCCFAF methodology places greater emphasis on the access and use of external funds from Overseas Development Assistance (ODA), as opposed to domestic financing, in addressing CC DRM concerns. Pillar 6 – Development Effectiveness – specifically focuses on the use of ODA and incorporates consideration of the Paris Aid Effectiveness Agenda with respect to access and use of climate change finance.

While PICs have a high reliance on ODA to address CC concerns, this characteristic also relates to other countries around the world, especially SIDS in the Caribbean and the Indian Ocean.

The PCCFAF methodology also looks at other less technical aspects of access and use of climate finance such as Human Capacity (Pillar 5) and Gender and Social Inclusion (Pillar 7).

The critical nature of human capacity constraints is an issue recognised throughout all developing nations, in particular in SIDS and least developed countries (LDCs). While systems and institutions may well be in place to address climate change concerns, the human capacity and capability to operate these systems is crucial to effectively use and manage climate change and disaster risk management finance to address these concerns.

Equally, addressing barriers to gender and social inclusion is fundamental to the effective use of climate finance. This is reflected in the ESS requirements for direct access to the GCF and AF. These funds also have gender policies that need to be satisfied. This aspect considers the need to incorporate stakeholders at all stages of the project cycle from project design through to stakeholder involvement in the M&E process.

The Public Financial Management (PFM) analysis (Pillar 3) assesses a country's context against the key criteria used for the IMF's methodology for assessing PFM systems, known as the Public Expenditure and Financial Accountability (PEFA). A lot of the PFM issues have a strong link to the fiduciary standards for "direct access" accreditation to the GCF and AF.

The increasing use and application of PCCFAF in the region continues to speak of the great emphasis placed on accessing and managing CC DR finance and the need to have institutions and systems that meet international standards and requirements.

The PCCFAF was recognised by the UNFCCC Standing Committee on Finance's 2018 Biennial Report<sup>15</sup> for COP 24 as a "good practice" tool for assessing climate finance flows relevant to Articles 9 (Finance) and 13 (Transparency) of the Paris Agreement. The PCCFAF therefore has applicability in most developing countries and is a useful framework for improving knowledge on the national CC DR finance landscape and country readiness for direct access to global climate funds.<sup>16</sup>

14 The 2012 joint UNDP/ODI CPEIR Methodological Note (2012) states that CPEIR examines the linkages between the three spheres of national climate change policy; the institutional structures through which policy is channeled; and the resource allocation processes whereby public funding is made available for the implementation of relevant projects, programmes and policies. There is a greater focus on the use of domestic financing for CC than external financing that occurs in PICs.

15 <https://unfccc.int/sites/default/files/resource/2018%20BA%20Technical%20Report%20Final.pdf>

16 The CPEIR Methodology is also evolving to incorporate greater consideration of development effectiveness and vulnerable groups into its methodology in its 2015 Methodological Guidebook









# 3

## Synthesis of Climate Change and Disaster Risk Finance Assessments in Pacific Island Countries

This regional synthesis outlines the key observations and recommendations from the Climate Change and Disaster Risk Finance Assessments, undertaken in PICs between 2012 and 2019 using the PCCFAF and CPEIR. A review of completed country assessments show commonly observed trends across the seven pillars of the PCCFAF, which are summarised in this section.



## 3.1 Funding Source Analysis



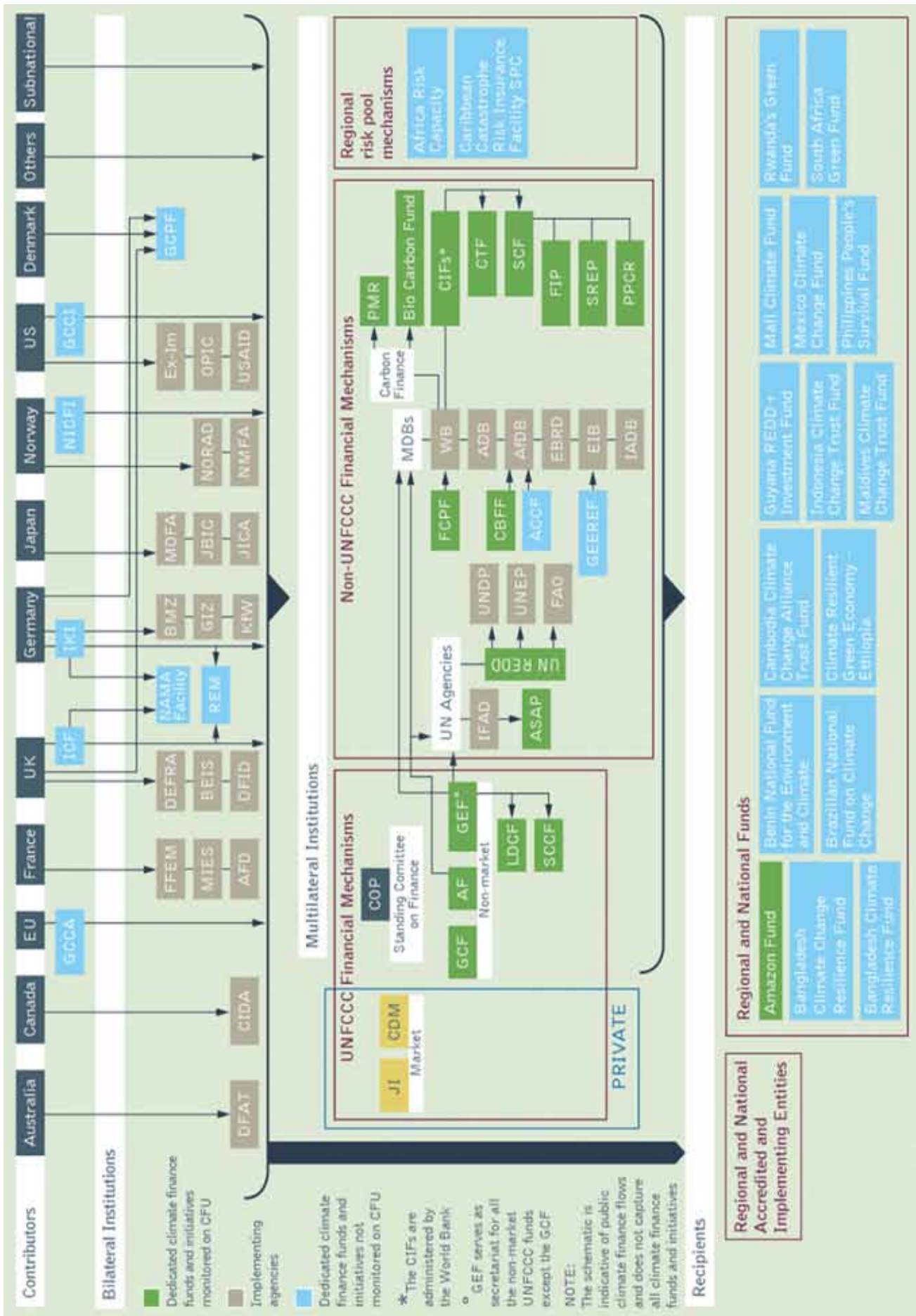
The Funding Source Analysis provides a comprehensive understanding of the CC finance landscape. The commitment to increase the flow of CC finance from developed to developing countries has added to the already existing complexities of the global CC finance landscape. Figure 2 shows a representation of the global CC finance landscape.

Understanding the global CC finance landscape will assist a country to determine how much and what type of support is available from the range of global, bilateral and regional funding sources, and ultimately help determine their eligibility to access these funds. Table 2 provides a list of key multilateral climate funds that PICs are eligible to access.

Having a clear understanding of CC finance flows is also essential to addressing the constraints of developing countries, such as the Pacific region, in the development of CC financing opportunities. It will also help countries to better understand where funding is coming from and where it is being used. Such information is fundamental for government planning and for prioritisation and allocation of limited resources to sectors that most need it.

### Key Messages

- PICs have already accessed significant amounts of CCDR finance from a variety of sources including bilateral, multilateral and other sources.
- PICs continue to prioritise adaptation over mitigation.
- A significant proportion of CCDR finance still falls outside of the purview of government budgets.
- There has been increasing alignment of sectoral funding to national development and CCDRM priorities.
- A number of national funding mechanisms have been established in various PICs. These mechanisms provide a fundamental source of funding for CCDRM-related activities.
- Progress has been made towards gaining National Implementing Entity (NIE) accreditation statuses under GCF and AF, although a lot of countries are still working towards NIE accreditation.



(Source: Climate Funds Update 2019)

Figure 2: Global Climate Change Finance Landscape

**Table 2:** List of key multilateral climate funds that PICs are eligible to access

Fund	Fund Type	Fund focus	Pledge (USD mn)	Deposit (USD mn)	Approval (USD mn)	Disbursement (USD mn)	Date collected
Adaptation for Smallholder Agriculture Program (ASAP)	Multilateral	Adaptation	381.67	330.00	307.00	60.08	11/2018
Adaptation Fund	Multilateral	Adaptation	755.46	755.46	531.57	305.62	11/2018
BioCarbon Fund	Multilateral	Mitigation - REDD	351.93	190.64	81.29		11/2018
Clean Technology Fund (CTF)	Multilateral	Mitigation - General	5461.91	5462.63	4989.40	1531.26	11/2018
Forest Carbon Partnership Facility Readiness Fund	Multilateral	Mitigation - REDD	430.03	416.51	531.55	447.13	11/2018
Forest Carbon Partnership Facility - Carbon Fund (FCPF-CF)	Multilateral	Mitigation - REDD	889.51	538.33			11/2018
Forest Investment Program (FIP)	Multilateral	Mitigation - REDD	735.74	735.74	567.29	168.07	11/2018
Global Environment Facility (GEF4)	Multilateral	Multiple Foci	1082.98	1082.98	966.72	961.26	11/2018
Global Environment Facility (GEF5)	Multilateral	Multiple Foci	1152.41	1147.92	853.80	500.75	11/2018
Global Environment Facility (GEF6)	Multilateral	Multiple Foci	1117.16	1109.43	895.21	208.07	11/2018
Global Climate Change Alliance (GCCA)	Multilateral	Multiple Foci	1332.91	1332.91	455.97	172.75	06/2017
Global Energy Efficiency and Renewable Energy Fund (GEEREF)	Multilateral	Mitigation - General	281.50	275.50	223.59	89.07	05/2017
Green Climate Fund	Multilateral	Multiple Foci	10302.30	7234.24	4604.50	391.77	12/2018
Least Developed Countries Fund (LDCF)	Multilateral	Adaptation	1371.72	1317.18	1219.80	531.86	11/2018
MDG Achievement Fund	Multilateral	Adaptation	89.50	89.50	89.52	82.52	10/2015
Partnership for Market Readiness	Multilateral	Mitigation - General	129.60	120.30	86.92		11/2018
Pilot Program for Climate Resilience (PPCR)	Multilateral	Adaptation	1154.66	1154.66	960.43	390.23	11/2018
Scaling Up Renewable Energy Program (SREP)	Multilateral	Mitigation - General	744.54	744.54	591.80	55.21	11/2018
Special Climate Change Fund (SCCF)	Multilateral	Adaptation	371.06	366.06	285.65	186.79	11/2018
UN-REDD	Multilateral	REDD	319.55	308.46	316.57	289.48	11/2018

(Source: Climate Funds Update 2019)

# Key Observations

\* What exactly constitutes “climate finance” remains to be internationally clarified and accepted. This makes tracking and monitoring climate finance regionally and at the country level difficult. For the Pacific, the basic definitions adopted are presented in Box 2.

**Box 2: Simplified Definitions in the context of PICs**

**Climate Change Adaptation**  
 Activities that *respond to the adverse impacts of climate change* on the environment, human wellbeing and survival, and culture - reducing their vulnerability or increase their capacity to make change (resilience). For example, coastal defences, food and water security, improving health, education, etc.

**Climate Change Mitigation**  
 Activities that contributes to *lowering the cause of climate change (greenhouse gas emissions)*. For example, installation of renewable energy sources, fuel efficiency, reducing energy use, carbon storage in vegetation (REDD+), etc.

**Disaster Risk Management**  
 Activities that *respond to the damages and losses caused by a disaster* on humans, environment and infrastructure.

**Disaster Risk Reduction**  
 Activities that contributes to *lowering the risks associated with disasters* on humans, environment and infrastructure.

**Climate Change Finance**  
*Financial flows for ‘mitigation’ and ‘adaptation’*. These can be *multilateral, bilateral, private or from domestic resources*, and may include various modalities such as *grants, loans, concessional loans, guarantees, equity*, etc. It may be delivered through *projects, budget support or trust fund arrangements*. Mobilisation of climate change finance is expected to be led by developed countries to assist developing countries, SIDS and LDCs (obligatory commitment).

\* PICs have accessed a significant amount of CCDRM finance from a variety of sources: bilateral, multilateral and other sources. Access to bilateral sources have traditionally been the main source of CCDRM support for PICs although access to multilateral sources is increasing since the full operationalisation of the GCF in 2015. This is expected as more countries are starting to access multilateral funding sources including the Green Climate Fund (GCF). FSM, Palau and the Republic of the Marshall Islands (RMI) continue to access more bilateral sources due to the longstanding relations and their Compact arrangements with the United States. Figure 3 presents the breakdown of CCDRM finance accessed by PICs between bilateral versus multilateral channels.

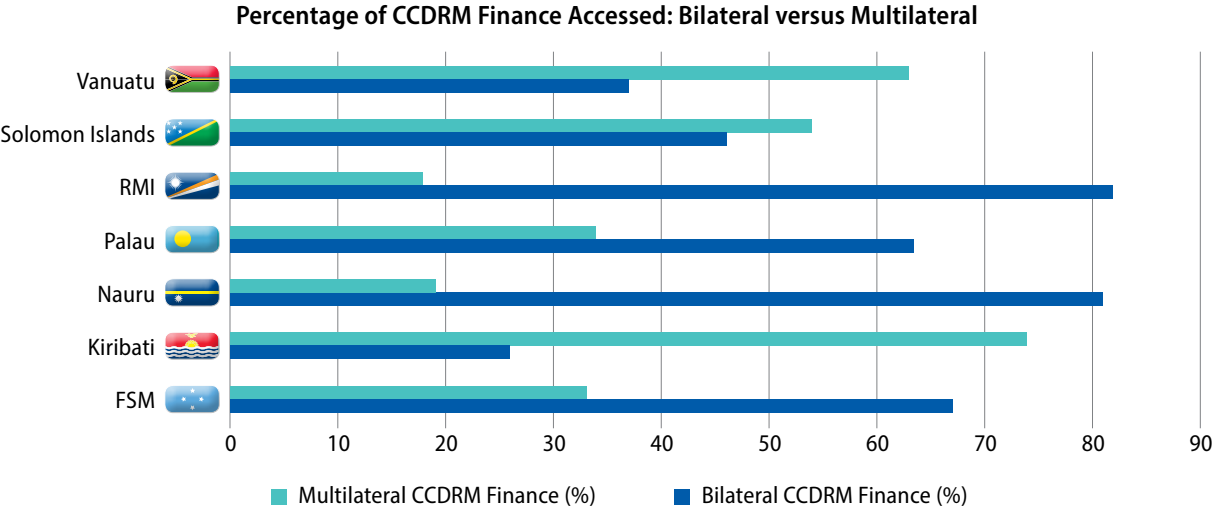
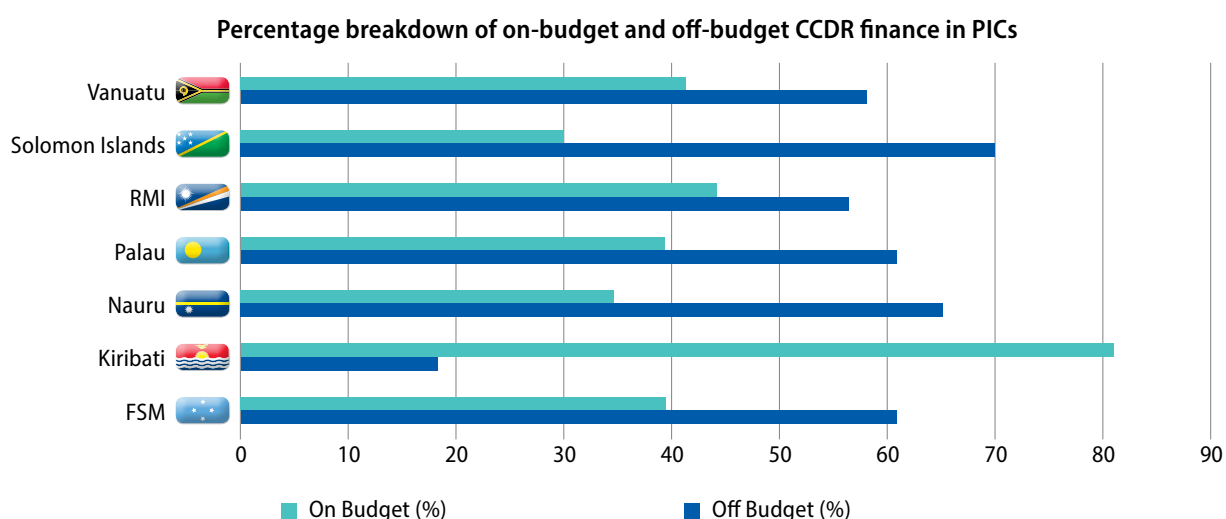


Figure 3: Percentage of CCDRM funds accessed through multilateral and bilateral channels.



- \* Major bilateral donors for PICs include the European Union (EU), Japan, Australia, Germany, New Zealand, United States and Republic of China (Taiwan). The World Bank (WB), Asian Development Bank (ADB), Global Environment Facility (GEF), Adaptation Fund (AF), Climate Investment Fund (CIF), and Green Climate Fund (GCF) are the main multilateral donors.
- \* Assessment of budget documents for PICs revealed that not all CCDR finance was channelled through Governments' budgeting and public financial management systems. This is common across all PICs. Over 50% of total CCDR finance is not reflected in most government budgets (see Table 4). This indicates a significant gap in the reporting and tracking of CCDRM activities and is also a reflection of the lack of centralised tracking and reporting systems across PICs.



**Figure 4:** Percentage breakdown of on-budget and off-budget CCDR finance in PICs.

- \* Total share of CCDRM (weighted) expenditure by type indicates that adaptation is prioritised over disaster risk reduction (DRR) and mitigation (DRM), with DRR/DRM accounting for the least share of the three (with FSM the only exception). This observation is important considering the extremely low contribution to total greenhouse emissions and is also a reflection of the high priority placed on adaptation by PICs. Table 5 is a summary.

**Table 5:** Breakdown of funding for adaptation, mitigation and DRR/DRM

Country	Adaptation (% of Total CCDRM Funds)	Mitigation (% of Total CCDRM Funds)	DRR/DRM/Other (% of Total CCDRM Funds)
FSM	27.7	56.5	15.8
Kiribati	53	32	15
Nauru	48	48	4
Palau	52.8	30.3	17
RMI	57	30	13
Solomon Islands	56	33	11
Vanuatu	89	9	2

- \* There has been increasing alignment of sectoral funding to national development and CCDRM priorities. The public utilities/infrastructure and energy sectors received the largest funding on average across PICs. Other sectors that receive significant funding include water and sanitation, transport, DRR/DRM and coastal protection.
- \* Significant progress has been made towards gaining National Implementing Entity (NIE) status. To date, Cook Islands Ministry of Finance and the Micronesia Conservation Trust (MCT) have NIE accreditation under the AF. Cook Islands Ministry of Finance is an NIE to the GCF while MCT, SPREP and SPC are Regional Implementing Entities to the GCF. Fiji's Development Bank has NIE accreditation under GCF. Other PICs are currently exploring the NIE accreditation process.



- \* A number of national funding mechanisms have been established in various PICs. Examples include the Palau Protected Areas Network Fund, the Tuvalu Climate and Disaster Survival Fund, the Tonga Climate Change Fund, and the Fiji Climate Action Fund (see Figure 4). These mechanisms provide a fundamental source of funding for CCDRM-related activities. The operationalisation and management of these funds provide important lessons that other countries could benefit from.

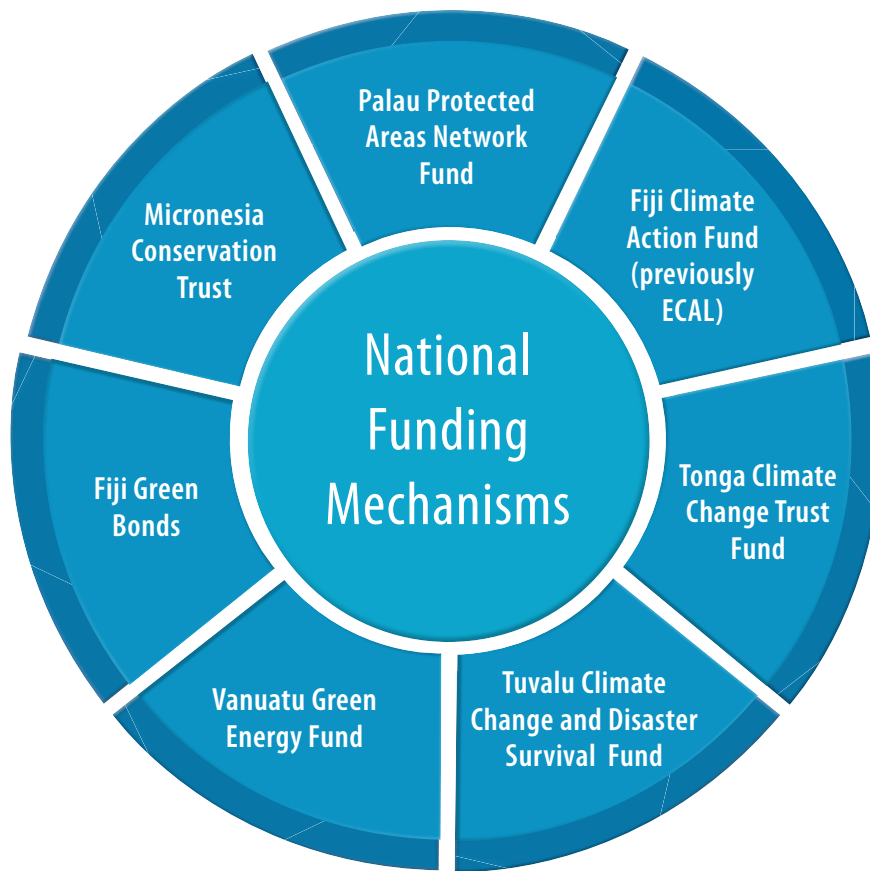


Figure 5: Examples of National Funding Mechanisms in PICs

- \* Countries (FSM, RMI, Palau) benefiting from the Compact of Free Association (COFA) with the United States may face implications from the post-2023 expiration of this bilateral funding, currently a major source of development finance for these nations.

## Key Recommendations

- \* PICs to continue to advocate for clear and common guidelines, methodology and/or definition to account and monitor CCDR finance.
- \* PICs already benefiting from bilateral sources of CCDR finance are encouraged to continue to strengthen relations with bilateral donors while also working towards strengthening country systems to access multilateral sources of funding. Bilateral sources can often provide flexibility and options such as budget support that enable more programmatic approaches for countries. Countries in US COFA agreements should look at options for increasing focus on other sources of finance.
- \* Countries to adopt/implement national climate finance tracking systems/tools to better monitor CCDR finance flows. This may involve establishing and maintaining databases of aid projects with tagging for CCDRM relevance. Knowing where the money is flowing is critical for reaching areas of opportunity and need, because **what gets measured gets managed**.

## 3.2 Policies and Planning Analysis



The policy environment is critical to effectively accessing and managing climate change and disaster risk financing. It should ideally outline the key priorities of the government in effectively responding to climate change adaptation and mitigation, and the timeframes over which these efforts should be deployed and thus resourced.

The Policy and Planning Analysis provides an understanding of the mix of policies and plans a country has developed to guide its CCDRM work programme. It considers the strength of the existing policy mix, and processes for development, review and implementation of these policies and plans.

At the regional level, the FRDP articulates the move towards greater integration of climate change and disaster risk, to ensure more efficient use of resources (Box 3).

### Key Messages

- PICs continue to demonstrate great leadership in international and regional CCDRM forums.
- There is a rapidly strengthening policy landscape for CCDRM across PICs.
- Mainstreaming CCDRM into national and sectoral policies and plans remains weak in PICs.
- Policies often still lack actions, targets, indicators and costings, making monitoring and reporting on the progress of policy implementation challenging.
- There is a need to develop and strengthen mechanisms for capturing and monitoring use of traditional knowledge for addressing climate change impacts and disaster risk reductions within programmes.

### Box 3: Framework for Resilient Development in the Pacific (FRDP)

An integrated approach to address climate change and disaster risks which promotes regional collaboration and pooling of resources and expertise, the Framework provides high level strategic guidance to different stakeholder groups on how to enhance resilience to climate change and disasters, in ways that contribute to and are embedded in sustainable development. It supersedes two previously separate regional frameworks for tackling climate change and disaster management and aims to achieve three key goals: strengthened integrated adaptation and risk reduction to enhance resilience to climate change and disasters; low carbon development; strengthened disaster preparedness response and recovery.

Online link: [http://gsd.spc.int/frdp/assets/FRDP\\_2016\\_Resilient\\_Dev\\_pacific.pdf](http://gsd.spc.int/frdp/assets/FRDP_2016_Resilient_Dev_pacific.pdf)

## Key Observations

- \* PICs continue to show great leadership in international and regional CCDRM forums. The ratification and/or endorsement of international and regional treaties and frameworks, including the Paris Agreement on Climate Change, Sendai Framework for DRR, the SDG/2030 Agenda, and the FRDP, are examples demonstrating this leadership.
- \* There is a relatively strong policy landscape for CCDRM across PICs. As the link between development, CC and DRR/DRM become more pronounced in the region, there is greater integration of CCDRM considerations into existing National Development Strategies/Plans.
- \* While countries have developed national climate change policies, there is an increasing move towards legislating CCDRM in the region. Having national climate change legislations will provide a strong legislative and regulatory basis for climate change activities and the institutions that implement and coordinate these activities.
- \* Mainstreaming CCDRM into national and sectoral policies and plans remains weak in PICs. Progress on this is constrained by the perception that CCDRM is the responsibility of only a few line ministries. Vertical integration of CCDRM is still lacking for most of the PICs. While the link between national and international policies and frameworks on CCDRM are clear, there is limited integration of CCDRM into provincial, state and community level plans. This mismatch makes it difficult to address community adaptation needs.
- \* A lot of policies still lack actions, targets, indicators and costings. Integrating actions, targets and indicators are important to guide policy implementation and achieve intended outputs. Costing policies will ensure resources are sufficiently allocated and managed for identified activities.
- \* Lack of M&E frameworks to monitor and evaluate the impact of policy implementation remains a major setback to effectively track and monitor progress and impact of CCDRM issues in PICs. M&E is mostly project-based. Without national M&E tools and systems, it is difficult to monitor progress and evaluate the effectiveness of CCDRM activities in PICs.
- \* There are no established mechanisms for capturing community level data and traditional knowledge and feeding these into policies. The importance of traditional knowledge to building resilience of local communities cannot be over-emphasised. Traditional knowledge has been shown to assist local communities in disaster preparedness and climate change adaptation. Women's role in mainstreaming traditional knowledge has also been identified as critical.

## Key Recommendations

- \* Develop mainstreaming guidelines for integration of CCDRM across sectoral policies, plans and activities. Ensure vertical integration and alignment of CCDRM policies and plans at all levels.
- \* Actions, targets, indicators and costings should always be included in policy developments and updates.
- \* Develop national M&E frameworks to assist in tracking and reporting progress of implementation of CCDRM policies. Such frameworks should be linked to National Development Strategies or their equivalents.
- \* Establish mechanisms to capture CCDRM-related traditional knowledge and community level data and feed them back to policies, to ensure community priorities and existing adaptive capacity is recognised at the centre of these policies.




### 3.3 Institutional Analysis



#### Key Messages

- The ministry/departments responsible for climate change and disaster risk management in PICs (in some PICs the responsibility sits within the same agency) are primarily responsible for leading on all CCDRM activities. Other line ministries provide assistance.
- Most countries have established structures and platforms within line ministries/departments intended to oversee CCDRM programmes; however, coordination is relatively weak across PICs. Strengthened coordination is imperative due to the cross-cutting nature of these issues.
- Substantial progress has been made in identifying potential National Implementing Entities for GCF accreditation, although countries need to further strengthen national systems and institutions to meet NIE accreditation requirements.
- International, regional and local NGOs play significant roles in terms of implementing CCDRM activities across PICs, but their expertise and networks are not fully utilised by governments.
- Most PICs do not have established central mechanisms for the collection and dissemination of CCDRM-related information, in a timely and consistent manner.



Effective institutions are critical to driving a country's response to climate change and disasters. The competencies of pre-existing institutions and processes have an impact on planning, access and management of CCDR finance. Where the status quo is inadequate for accessing and managing CCDR finance, institutional reforms will have to be executed to ensure the maximisation of available funding opportunities and management of CCDR finance.

The Institutional Analysis assesses the rules, organisations and social norms that facilitate progression toward a country's climate change goals. The analysis considers issues such as organisational structure and processes; political, legal and cultural frameworks; coordination and collaboration with external stakeholders; clarity of roles and responsibilities; and infrastructure.

## Key Observations

- \* The ministry/departments responsible for climate change and disaster risk management are primarily responsible for all CCDRM activities. Other line ministries provide assistance. This arrangement is often effective with proper coordination. Due to the cross-cutting nature of climate change, there is an ongoing need to involve more ministries in CCDRM planning and reporting processes.
- \* Most countries have attempted to establish structures and platforms within line ministries intended to oversee CCDRM programmes; however, coordination is relatively weak across PICs. Where coordination mechanisms exist, roles and responsibilities of different actors are often not clearly delineated. Lack of a centralised coordination mechanism impedes other important processes that effectively address development and CCDRM in PICs, including reporting and monitoring processes.
- \* Substantial progress has been made in identifying potential NIEs to the GCF and AF, although most countries need to further strengthen national systems and institutions to meet NIE accreditation requirements and standards.
- \* International, regional and local NGOs play significant roles in terms of implementing CCDRM activities across PICs. The private sector plays an important role in terms of mobilising climate investment and meeting countries' emission targets. However, both these sectors are often left out of national coordination mechanisms, and the private sector currently has very limited engagement with CCDRM activities throughout PICs. The Private Sector Facility established under the GCF provides a funding window of opportunity for increasing private sector engagement. The GCF has a special focus on LDCs and SIDS<sup>17</sup>.
- \* There is very limited progress towards achieving greater access to and dissemination of CCDRM information. Most PICs do not have established central mechanisms for the collection and dissemination of information. Access to and dissemination of the right CCDRM information is crucial, as it can foster greater engagement and participation of stakeholders in CCDRM processes. It also allows for greater community awareness of CCDRM activities and issues.

## Key Recommendations

- \* Establish and strengthen coordination institutions and mechanisms for greater stakeholder engagement, monitoring of CCDRM activities and dissemination of information.
- \* Institutionalise M&E of CCDRM activities as part of National Development Strategies and Plans across PICs.
- \* Strengthen institutions and build capacities of entities that have the potential of becoming NIEs for countries aspiring to get NIE accreditation.
- \* Strengthen engagement with NGOs and CSOs who are already engaging, as well as with potential implementers of CCDRM activities.
- \* Other PICs can learn from two practical and operational case studies: Vanuatu's National Advisory Body (NAB) (Box 4) and the Micronesian Conservation Trust based in Pohnpei, FSM (Box 5)

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17 More about the Private Sector Facility can be found here: [https://www.greenclimate.fund/documents/20182/194568/The\\_Green\\_Climate\\_Fund\\_s\\_Private\\_Sector\\_Facility.pdf/c47eacd1-5b93-4fe0-97de-b4b9ebe669d3](https://www.greenclimate.fund/documents/20182/194568/The_Green_Climate_Fund_s_Private_Sector_Facility.pdf/c47eacd1-5b93-4fe0-97de-b4b9ebe669d3)

#### **Box 4: Vanuatu's National Advisory Board (NAB) on Climate Change and Disaster Risk Reduction**

Having a legislative mandate for its set-up and functions meant the NAB had a concrete enabling and operating legislative/policy framework. The NAB clarifies structures and processes for CCDRM and provides dedicated resourcing for strategic and policy advice, coordination of activities and fostering cooperation amongst agencies. By playing a leading role in project appraisal and acting as gatekeeper for project approvals, the NAB contributes to enhancing synergies across sectors and different actors, reducing duplication as a result.

The NAB Portal provides general climate change activity updates and projects information enabling easier access to information, enhancing information sharing and wider dissemination of CCDRM information. The NAB portal also has a dedicated section on climate financing.

Online link: <https://www.nab.vu>

#### **Box 5: Micronesia Conservation Trust - Focusing on Institutional Strengthening**

Established in 2002 as the first conservation trust fund in the region, the Micronesia Conservation Trust (MCT) has always focused on grant-making. It currently serves as a pertinent case study for the Pacific Islands region as a model for channelling funds to local-level organisations. A number of lessons have emerged from MCT's experiences, including the capacity constraints that many local organisations have in terms of managing donor finances. MCT also focuses on capacity building by supporting financial and project management capacity of NGOs throughout the region.

As an accredited entity to both the Adaptation Fund (for projects up to USD 1 million) and the Green Climate Fund, MCT continues to focus on institutional strengthening for local organizations. A recent submission to the Adaptation Fund has been approved for USD 970,000. Outcome 3 of this project is to build community-level adaptive capacity to climate change with a focus on protected area networks, enforcement training and a small grants scheme to support ecosystem-based actions. Furthermore, two projects are currently being developed for submission to the Green Climate Fund. One of these focuses solely on preparing the enabling environment and building the organizational capacity for implementing and executing agencies in FSM. The project proposal will include capacity building in financial and project management for local organizations, as well as a small grants scheme.

Online link: <https://cfn.pacificclimatechange.net/node/58>



## 3.4 Public Financial Management and Expenditure Analysis



Direct access to global climate change funds such as the GCF and the AF require strong PFM systems in order to meet the necessary fiduciary standards. Strengthening PFM is also key to increasing donor confidence in country systems and therefore enabling direct budget support/other modalities that provide more control by national governments/programmatic approaches and moving away from fragmented project approach.

### Key Messages

- There have been significant reforms to PFM systems across PICs as a result of the PEFA assessments. These reforms have resulted in improved PFM systems for some PICs.
- CCDRM expenditures of total recurrent budget are mostly between 4% and 10% for the different time periods assessed.
- When compared by type of total CCDRM expenditures, adaptation is by far the largest proportion, accounting for between 41% and 90.5%, of recurrent expenditures (weighted) across PICs.
- Although CCDRM is well articulated in the policy space, national budget allocations for CCDRM are still relatively low across PICs.
- Adequate and timely funding arrangements required for emergency purposes are still lacking in most PICs.

## Key Observations

- \* There have been significant reforms to PFM systems across PICs as a result of the PEFA assessments. These reforms were undertaken to further strengthen PFM systems. Improvements in PFM systems have been observed as a result of past and ongoing reforms. Kiribati and Samoa are exemplars of improved systems resulting from PFM reforms (see Figure 5).
- \* CCDRM expenditures of total recurrent budget range between 4% and 10% for the different time periods assessed. This shows Pacific Island governments are spending their own domestic resources to address climate change and disaster impacts. Increases in CCDRM expenditure above the range is, however, evident in years following natural disasters, where governments have to spend on post-disaster recovery and rehabilitation processes. Table 6 shows how much of domestic funds have been allocated to CCDRM related activities.

**Table 6:** Recurrent budget allocation for CCDR related activities in PICs

Country	Recurrent expenditure weighted for CCDRM (%)	Period (Year)
Fiji	3.6	2014
FSM	6.3	2012–2016
Kiribati	8	2014–2018
Nauru	4–10	2010–2013
Palau	7.4	2011–2015
RMI	4	2009–2014
Tonga	6.9 – 8.7	2009–2014
Samoa	10–16	2010–2016
Solomon Islands	5.4	2013–2016
Vanuatu	7.6	2012–2016

- \* When compared by type of total CCDRM expenditures, adaptation is by far the largest proportion, accounting between 41% and 90.5%, of recurrent expenditures (weighted) across PICs. This is a reflection of the high importance placed on adaptation, as opposed to mitigation, in PICs.
- \* Adequate and timely funding arrangements required for emergency purposes are still lacking in most countries. For a region that is highly vulnerable to natural hazards and prone to disasters, having dedicated and flexible funding mechanisms for disaster response and recovery is essential. A number of disaster risk financing mechanisms exist including Emergency Funds, Contingency Funds and Risk Insurance; however, PICs need to have more information on the different mechanisms to ensure the most appropriate financing instruments are being used.
- \* Although CCDRM is well articulated in the policy space, national budget allocations for CCDRM are still relatively low across PICs. The main reason behind this is that a lot of policies still lack actions, targets, indicators and associated costings, and these actions and budgets are not operationalised through inclusion in corporate plans. Specifying actions and associated costings will allow for effective, controlled and targeted resource allocation for CCDRM activities.
- \* Significant progress has been made in gaining GCF NIE accreditation and accessing GCF funds. Countries that have gained NIE accreditation to date are Fiji (Fiji Development Bank), Cook Islands (Ministry of Finance and Economic Management), and FSM (Micronesia Conservation Trust). Other countries have accessed GCF (and the AF) through international and regional accredited entities. Countries that have accessed GCF project funding to date include Fiji, Tuvalu, Cook Islands, RMI, Kiribati, Nauru, Vanuatu, PNG, Samoa, Solomon Islands and Tonga.
- \* Accounting for in-kind support and external assistance being delivered using donor systems (instead of country systems) remains a challenge for the region.



### PFM Reforms in Kiribati

- Kiribati managed to implement reforms that significantly impacted development outcomes, including reforms to debt management of the Revenue Equalization Reserve Fund (RERF) and some reforms in the SOE sector to support private sector growth. This is to identify activities within the SOE that can be divested and outsourced as well as further strengthening the commercial mandate of the SOEs to promote financially sustainable delivery of public service.
- Kiribati is committed to a structurally balanced budget. This has entailed setting an expenditure path that is consistent with meeting fiscal balance including donor budgetary support, excluding foreign financed capital expenditure.
- The commitment for balanced budget over the coming years helps insulate spending from potential volatility in fishing revenue in order to mitigate the high risk of debt distress.
- With the improvement in the fiscal balance, the government now has an ambitious development agenda, envisaged in the Kiribati 20-Year Vision (KV20), to promote inclusive and sustainable growth with enhanced sustainability and policy capacity.
- Implementation of reforms contributed to improvements in the governance and management of the RERF and replenishment of the funds from the cash reserves in association with an increase in fisheries revenue.



### PFM Reforms in Samoa

- A well-organised multi-layered PFM reform governance structure with effective links from the implementation/operational level upwards to the cabinet/political level that is recognised by all stakeholders contributes to the successful organisation and management of the whole reform process. The introduction of Finance One System helps improve the financial management and efficient production of the needed financial and budget reporting.
- Strict output-based budgeting and the roll-out of the Finance One system to all ministries contributed to improved service delivery.
- Clear sector plans are linked to National Development Plan and the budget allocation provided in the budget framework produces a higher level of accuracy of budget estimates and good discipline around reporting and payments.
- The recognition and clear understanding of the importance of enhancing resilience to external shocks and climate change and disaster, and the subsequent integration and monitoring of climate resilience actions and indicators in sector plans and annual reviews contribute to more resilient development planning and monitoring.

Figure 6: Examples of PFM Reforms

## Key Recommendations

- \* There is a need to further strengthen PFM systems. Well-organised countries with strong PFM systems are likely to access more climate change and disaster risk financing than those countries most in need. To this end, improving the PFM system should be seen as a whole-of-government effort that will bring whole-of-government benefits.
- \* Regular monitoring and reporting of total CCDRM expenditure should be institutionalised in respective countries. Efforts should be pursued at the national level to capture CCDRM expenditure outside the government budget (including in-kind support) in centralised databases.
- \* Setting expenditure targets is required for effective policy implementation. Countries should also consider allocating more resources for CCDRM given the high vulnerabilities of communities.
- \* Regulations to establish disaster-specific funds that are readily available at the declaration of emergencies should be developed and implemented. In doing so, countries should consider options for sustaining DRM funds.



## 3.5 Human Capacity Analysis



Developing countries such as the Pacific SIDS are becoming heavily involved in CCDRM actions. The ratification of multilateral agreements, including those related to CCDRM, requires support across a wide range of sectors, involving many actors. Countries will be able to effectively respond to climate change and disaster impacts if there is adequate institutional capacity. Capacity building is particularly important to fully implement the Paris Agreement at the national level and to fulfil other monitoring and reporting obligations under the UNFCCC.

Human capacity is crucial to be able to carry out the full cycle of a CCDR financing grant and maintain a good reputation with donors as a low-risk, good investment. Figure 6 provides a diagrammatic representation of the benefits of having sufficient and skilled human capacity.

### Key Messages

- There have been ongoing efforts to improve capacity development for CCDRM in PICs through the provision of scholarships and training.
- While a few countries are adequately capacitated, the majority of PICs have limited technical capacity to effectively plan, access, manage, disburse, monitor and report on international CCDR finance.
- NGOs and research institutes provide added capacities that governments throughout the region can benefit from.
- Existing capacity limitations in line ministries/departments responsible for CCDRM continues to hinder access and effective management of CCDR finance.



**Figure 7: Full Cycle of a CCDR financing grant**

The Human Capacity Analysis assesses the ability of individuals to manage programmes and projects; individual attitudes, knowledge, behaviour and actions; and how a country manages and develops the awareness, understanding and skills of its human resources.

At the regional level, examples of capacity support to the region for CCDRM include the Regional Technical Support Mechanism (RTSM) and USP’s Pacific Centre for Environment and Sustainable Development (Figure 7).

<p><b>Regional Technical Support Mechanism (RTSM)</b></p> <p>The mechanism facilitated rapid access and deployment of experts into PICs, on a request basis. Using a roster of experts could supplement capacity needs at the country level by building on existing relationships between countries and their development partners, expertise within CROP agencies and other stakeholders and peer-to-peer exchanges between countries, where possible.</p> <p>The RTSM and RRF facilitated coordination of effort between partners and CROP agencies in the provision of much needed technical assistance and expertise where there were gaps in countries. It was also based on the principle of partnership.</p> <p>The RTSM harmonised and centralised the management and administration of a regional pool of technical experts, thereby reducing overhead costs and administrative burden on the limited capacities of PICs.</p> <p>Online link: <a href="http://rtsm.pacificclimatechange.net/">http://rtsm.pacificclimatechange.net/</a></p>	<p><b>USP’s Pacific Centre for Environment and Sustainable Development (USP PaCE - SD)</b></p> <p>Established as part of The University of the South Pacific’s (USP) 1999 strategic plan, the Centre was opened in response to the region’s need for further research of the environment.</p> <p>The Centre offers programmes at Postgraduate Diploma, Master’s and PhD levels that contribute to informed decision-making and shaping regional policy design for PICs.</p> <p>Inclusion and involvement of postgraduate students as support staff to PICs during the UNFCCC COP negotiations gives international exposure to students and helps broaden their knowledge surrounding multilateral environmental agreements such as the UNFCCC, builds their negotiation and diplomatic skills and facilitates wider networking.</p> <p>The Centre contributes to greater awareness of climate change across a range of sectors and industries through its community engagement and outreach.</p> <p>Online link: <a href="https://pace.usp.ac.fj/">https://pace.usp.ac.fj/</a></p>
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**Figure 8: Capacity building and support mechanisms in PICs**



## Key Observations

- \* There is evidence of ongoing efforts to improve technical capacity for CCDRM through the provision of scholarships and training across PICs.
- \* While a few countries are adequately capacitated, the majority of PICs have limited technical capacity to effectively plan, access, manage, disburse, monitor and report on international CCDR finance. Having the right balance of capacities in-country is crucial for accessing and effectively managing CCDR finance as well as implementing and executing CCDRM activities.
- \* There continues to be a large number of expatriate staff managing CCDRM projects in many PICs. Local expertise in CCDRM is limited across PICs. Where technical capacities exist, a lot of staff are project-based. This has led to high staff turnover and difficulty in retaining technical staff. Lack of coordination also hinders pooling of technical capacities to address capacity limitations.
- \* NGOs and research institutes provide added capacities that governments throughout the region can benefit from. Similarly, thinking about other “out-of-the-box” approaches including using retirees who have returned to communities.
- \* Existing capacity limitations in line ministries responsible for CCDRM continue to hinder access and effective management of CCDR finance.

## Key Recommendations

- \* Future CCDRM projects must have an embedded component related to capacity development and the transfer of knowledge. This will ensure that external consultants provide an added value to government. Short-term capacity supplementation is also recommended where needed, although such arrangements should also include capacity development and knowledge transfer to local staff.
- \* Governments across PICs should consider developing capacity-building strategic plans that will address capacity needs in both the short and long term. This is particularly important for CCDRM where knowledge keeps evolving and innovative solutions to addressing impacts are needed.
- \* Governments should consider including officers from other ministries, NGOs and the private sector in climate finance meetings and international negotiations. The inclusion of a wide range of stakeholders in the negotiation process will assist in capacity-building on key negotiations surrounding climate change financing.
- \* Donors providing scholarship opportunities to PICs must target the needs of the governments. Observed capacity limitations to address CCDRM issues, should encourage governments and donors to consider allocating more scholarships for CCDRM and related fields.



## 3.6 Gender and Social Inclusion Analysis



Gender and Social Inclusion (GSI) considerations are important because climate change and disaster impacts on different sections within a society are different. GSI is a key ingredient for accessing project funding for global funds such as the GCF and the Adaptation Fund, and supports efforts to seek NIE accreditation.

The Gender and Social Inclusion Analysis assesses how gender elements have been integrated into the daily functioning of different government and community organisations, especially when it comes to climate change adaptation and disaster risk reduction functions, as well as into externally funded projects and programmes.

The development of the Pacific Gender and Climate Change Toolkit and Vanuatu's gender-sensitive and responsive budgeting provides a good examples of progressing GSI at the regional and national levels (see Boxes 6 and 7).

### Key Messages

- While progress has been made in the inclusion of GSI considerations in both national development strategies and climate change policies and plans in some countries, mainstreaming of GSI remains relatively weak in most PICs.
- Technical skills on gender and social inclusion mainstreaming is limited within key government ministries across PICs.
- There have been very limited assessments across PICs in terms of resource allocation for GSI. Where data is available, it is evident that very limited funding is allocated for GSI.
- NGOs have a track record of promoting GSI in their undertaking and therefore have technical capacity and knowledge that governments could benefit from.

### Box 6: Vanuatu's Gender Sensitive Budgeting

Vanuatu's Council of Ministers agreed to Decision 94 of 2017: Support to Gender Responsive Planning and Budgeting (GRB) process for 2018. The decision agreed to endorse and approve the inclusion of GRB in the 2018 budget for the Ministry of Climate Change, Ministry of Lands, Ministry of Education, Ministry of Agriculture and Department of Local Authorities (Municipalities and Provincial Governments). The decision also agreed to mandate all other Ministries to follow suit in GRB for 2019.

This initiative is a key achievement of the advocacy work by the Department of Women Affairs but also indicative of the increased collaboration of key government agencies on gender mainstreaming. This process provides a strong impetus for coordination between line ministries responsible for planning, budgeting, climate change and gender to enable the development of a systemic approach to identifying gender elements for budgeting and planning in areas including CCDRR.

### Box 7: The Pacific Gender and Climate Change Toolkit

The Pacific Gender and Climate Change toolkit is designed to support climate change practitioners in the Pacific Islands region to integrate gender into their programmes and projects.

The toolkit outlines step-by-step tools relevant to all stages of the policy process, and examples of application across multiple sectors and policy spheres including water, health, governance, energy, disaster risk reduction, and food security.

The principles and practices proposed in this toolkit are based on many decades of experience in the integration of a gender perspective in sustainable development, natural resources management and disaster preparedness.

Link to toolkit: [https://www.pacificclimatechange.net/sites/default/files/documents/Gender-CC-Toolkit\\_About-the-toolkit.pdf](https://www.pacificclimatechange.net/sites/default/files/documents/Gender-CC-Toolkit_About-the-toolkit.pdf)

## Key Observations

- \* Analysis of GSI considerations within existing CCDRM policies, plans and activities reveal mixed outcomes. While considerable progress has been made in the inclusion of GSI considerations in both national development strategies and climate change policies and plans in some countries, mainstreaming of GSI remains relatively weak in most PICs.
- \* Technical skills on gender and social inclusion mainstreaming is limited within key government ministries across PICs. For the most part, there are few personnel responsible for gender and social inclusion and often their focus is limited to advocacy and social policy matters. Most funding mechanisms for climate change have a gender policy. The GCF, for example, require an initial gender and social assessment in proposals for funding and a gender and social inclusion action plan at the project preparation stage. These require technical capacity that is mostly lacking in key ministries across the PICs. NGOs have a track record of promoting GSI in their undertaking and therefore have technical capacity that governments could benefit from.
- \* There has been very limited assessment across PICs in terms of resource allocation for GSI. Where data is available, it is evident that very limited funding is allocated for GSI.





## Key Recommendations

- \* Mainstreaming processes for both CCDRM and GSI should be done simultaneously rather than in isolation. Gender mainstreaming can be supported through a variety of mechanisms including through Gender Responsive Planning and Budgeting process, linked to tagging and tracking CCDRM flows and specific inclusion of GSI actions within JNAPs and national climate change policies. Governments should also consider increasing resource allocation for GSI and GSI specialists.
- \* Build sufficient technical expertise and human resource capacity across all sectors, for gender and social inclusion, to ensure effective development of programmes across relevant ministries and departments. Establishing gender and social inclusion focal points across relevant ministries will help facilitate mainstreaming; however, it is also important to ensure these focal points are adequately resourced.
- \* Establish a systemic processes to collect, evaluate and report on GSI benefits/impacts recorded through project implementation. Governments should work closely with NGOs who are already engaged in GSI as they may have important lessons to share and build on.
- \* There is a need to increase collection and dissemination of gender and vulnerable group disaggregated data. Climate change and disasters have differential impacts on gender and other social groupings. The availability of disaggregated data will assist governments and other development partners design policies and programmes that are responsive to the needs of specific and vulnerable groupings, and allocate resources where they are most needed. The availability of disaggregated data will also strengthen proposals for CCDRM funding.
- \* Similarly, there is a need for ensuring representation of a diversity of groups in consultations and decision-making roles for projects and programmes. There is increasing evidence for responses being more effective if the diversity of the affected population is included.




## 3.7 Development Effectiveness Analysis



### Key Messages

- PICs leaders have continued to demonstrate leadership in various international and regional forums.
- PICs continue to show great leadership and ownership through the development of core CCDRM policies and plans.
- The lack of formal coordination mechanisms and mutually agreed M&E indicators in most countries makes managing for results and mutual accountability difficult.
- Alignment and harmonisation of efforts to national policies and plans remains a challenge as many development partners still operate outside government processes and systems.
- Efforts have been undertaken in some countries to establish forums and round-table meetings for development partners, stakeholder dialogues and CCDRM information sharing and exchange, although more systematic processes are needed for greater stakeholder dialogue and engagement.



Since the Busan 2011 High Level Forum of Development Effectiveness, the debate has shifted from “aid effectiveness” to “development effectiveness” to reflect an increasingly complex development environment. New global development challenges include food insecurity, climate change and armed conflict, coupled with enlarging roles of different actors and stakeholders and the need to determine the real impact of aid as a catalyst for development.

The principles of development effectiveness and the need to ensure that aid is delivered in an effective way that maximises impact and achieves value for money remain relevant and central to climate change response. National ownership of development strategies, alignment of development assistance with national priorities, and harmonisation of development efforts all contribute to better, more sustainable development outcomes.

The Development Effectiveness Analysis considers the link between climate change and broader development effectiveness efforts. It considers issues such as ownership, leadership, alignment, harmonisation, managing for results and mutual accountability.

## Key Observations

- \* PIC leaders have continued to demonstrate leadership in various international and regional forums.
- \* PICs continue to show great leadership and ownership through the development of core CCDRM policies and plans. The levels of leadership and ownership have been manifested through the signing of important CCDRM-related international and regional agreements and frameworks such as the Paris Agreement on Climate Change, the Sendai Framework on DRR, and the regional Framework for Resilient Development in the Pacific.
- \* Efforts have been made in some countries to establish forums and round-table meetings for development partners, stakeholder dialogues and CCDRM information sharing and exchange, although more systematic government-led processes are needed for greater stakeholder dialogue and engagement.
- \* In countries with particularly small administrations, multiple country missions by development partners have proven to be overwhelming. Countries across the region are increasingly favouring joint missions by development partners and no mission periods during critical months for budget preparation.
- \* The lack of formal coordination mechanisms and mutually agreed M&E indicators in most countries makes managing for results and mutual accountability difficult. The effectiveness of individual CCDRM projects have been evaluated on a project-by-project basis. There is no mechanism to determine the “collective” effectiveness/ impact of CCDRM interventions across PICs.
- \* Alignment and harmonisation of efforts to national policies and plans remains a challenge as many development partners still operate outside government processes and systems.

## Key Recommendations

- \* Countries should strengthen coordination mechanisms and conduct regular meetings with donors and development partners. The need for proper coordination mechanisms is fundamental for many country developments and planning, including the provision of an established platform for all CCDRM stakeholders to engage in open dialogue; less fragmentation and duplication of efforts; better alignment to national priorities; and greater harmonisation and ownership of CCDRM activities.
- \* Countries should work towards mutually agreed M&E indicators and a framework for CCDRM programmes and projects. M&E frameworks should be linked to national development strategies. Developing national M&E systems will enable countries to monitor progress of project implementation and evaluate the effectiveness of CCDRM activities. M&E contributes to transparency and mutual accountability, allows lessons to be shared, and will help inform future CCDRM projects.
- \* Partners and regional organisations that wish to engage with the government should consider joint missions and approaches to lessen the burden on already-stretched administrations. Countries should also play a lead role in setting periods for missions – these should not be approved during critical periods of budget planning.





### Case Study: Choiseul Integrated Climate Change Programme (CHICCHAP) – Solomon Islands

The Choiseul Integrated Climate Change Programme (CHICCHAP) aims for a more holistic and programme-based ridge-to-reef approach involving coordinated efforts by government agencies, development partners and NGOs working in a multi-sector programme in one province.

A Provincial Steering Committee meets quarterly and reports through to the national level Partners Advisory Implementation Group (PAIG), which meets twice a year. The PAIG Chair is rotated annually between the Solomon Islands Government and NGO partners.

CHICCHAP has received very positive feedback within the province from provincial executives as well as the NGOs and development partners that are involved. It has enabled a space for information sharing and for partners to determine where they can complement each other's work, reducing duplication of effort.

MECDM has recognised the positive results of this coordination approach and is currently undertaking a roll-out of the approach across all nine provinces. It provides a strong example of a coordination approach that engages stakeholders in dialogue and partnership. By recognising the importance of M&E in order to also strengthen this approach, the PAIG has agreed to an external evaluation of the CHICCHAP being undertaken. The results of this will assist in informing the expansion of the approach.

Online link: <https://www.spc.int/cccpir/solomon-islands>



### Case Study: Budget Support Mechanism and Joint Policy Reform Matrix (JPRM) – Tonga

The Government of Tonga has entered into a Budget Support programme with a significant group of development partners to try to align with some key areas of priority to Tonga.

The currently participating development partners are the World Bank (lead agency), ADB, Australia and the European Union. The core of this process is the JPRM that lists a series of targets for the Government to achieve, which will then lead to the provision of budget support to the Government.

The most recent JPRM on August 2014 has 12 targets in four areas:

- Strengthening Public Financial Management
- Strengthening Fiscal Policy
- Enhancing the Business Enabling Environment (including State Owned Enterprise Reform)
- Energy Efficiency and Renewables.

In each of these areas the Government has a clear strategy or road map of policies and reforms.

This process arose out of the impacts of the Global Financial Crisis when the Government faced significant falls in revenue streams as remittances fell and the overall economy slowed.

Figure 9: Models for Coordination, Leadership and Alignment in PICs





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# Annex: Climate Change and Disaster Risk Finance Readiness Inventories of Pacific Island Countries

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## **DISCLAIMER**

The information contained in the respective country matrices below are primarily based on completed PCCFAF and CPEIR reports. Since country assessments were conducted over different timeframes, and owing to the rapidly evolving policy and development landscapes in the respective PICs, some of the information provided may be outdated and no longer accurate. The matrices should therefore be regarded as baseline information that countries can use to update for their own records as well as to track and monitor progress.

# Climate Change and Disaster Risk Financing Matrix - Cook Islands



Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing							
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness	Gender and Social Inclusion
<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>ADB, World Bank, GEF, UNDP, UNEP, FAO, Adaptation Fund, NZ, EU, GIZ, Australia, Japan, SIDDOCK</li> </ul> <p><b>Examples of Major Projects</b></p> <ul style="list-style-type: none"> <li>GEF/ADB/EU USD 24.28m Renewable Energy Sector Project</li> <li>AF/UNDP – USD 5.4m Strengthening the Resilience of our Islands and our Communities to Climate Change</li> <li>GEF/UNDP USD 19.4m Conserving Biodiversity and Enhancing Ecosystem Functions through a “Ridge to Reef” Approach in the Cook Islands</li> <li>AF/Ministry of Finance and Economic Management (MFEM): Approved Funds: USD 2,999m.</li> </ul> <p><b>Regional Programmes/Projects</b></p> <ul style="list-style-type: none"> <li>Global Climate Change Alliance Plus (GCCA+): Regional Project worth € 12.9m.</li> <li>European Union Pacific Technical and Vocational Education and Training in Sustainable Energy and Climate Change Adaptation. Regional Project Funding Amount: € 6.3m.</li> <li>Pacific Islands Renewable Energy Investment Program: GCF Amount: USD 26m.</li> </ul>	<ul style="list-style-type: none"> <li>The National Sustainable Development Plan (NSDP) 2016–2020. Goal 13: Strengthen resilience to combat the impacts of climate change and natural disasters.</li> <li>The Joint National Action Plan for Disaster Risk Management Climate Change Adaptation (JNAP) II designed to strengthen resilience. Describes 5-year plan of action to implement Goal 13 of NSDP.</li> <li>Central Policy and Planning Office (CPPO) to better monitor and report on NSDP.</li> <li>Establish a national policy and evaluation strategy to set standards.</li> <li>Review past use of performance indicators to inform better practices.</li> <li>Strengthen DRM and Climate Change planning at the local level (NSDP).</li> </ul>	<ul style="list-style-type: none"> <li>All international, regional and national climate change matters are managed, overseen and coordinated by Climate Change Cook Islands (CCI) in the Office of the Prime Minister (CPPO).</li> <li>Disaster Risk Reduction matters are coordinated by Emergency Management Cook Islands (EMCI).</li> <li>The Cook Islands MFEM was accredited to the GCF as a Direct Access Entity in 2018 and is a GCF readiness delivery partner.</li> <li>MFEM also accredited to the Adaptation Fund (2016).</li> <li>Need for further strengthening of the Climate Change Cook Islands Division, under AF and GCF Readiness Grant.</li> <li>Strengthen coordination between the National Sustainable Development Commission (NSDC) and other structures such as the Central Agencies Committee (CAC) and the Central Policy and Planning Office.</li> <li>There is an opportunity for greater policy analysis and dialogue across civil society, private sector, culture and media representatives.</li> <li>Strengthen country systems through continued implementation of PFM Roadmap.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation and maintenance of the Activity Management Cycle or Te Tari Vaka through following guidelines, policies and processes.</li> <li>The accounting system could be used better to improve budget execution, control and reporting.</li> <li>Core functions such as procurement are weak and efficiencies could be achieved from centralising.</li> <li>Procedures and templates are needed that require key decisions regarding the operation of tendering and purchasing functions.</li> <li>The Audit Office does not appear to have the capacity to complete all the outstanding audits within a reasonable period.</li> <li>Embedding improved Performance Management practices within the Cook Islands Government (GIG) will be needed.</li> <li>Inadequate resourcing for Audit Office leads to problems, including lateness of Audit Reports and poor Audit Response and follow up.</li> <li>Adoption of a centralised accounting system.</li> <li>Full Implementation of Activity Management Cycle Work Plan.</li> <li>Mainstream CCA DRM into national and sectoral budgeting (NSDP).</li> <li>Integrate planning, monitoring, budgeting, PFM and performance through better coordination of the Central Policy and Planning Office and the MFEM, including NSO, PSC and NSDC.</li> </ul>	<ul style="list-style-type: none"> <li>Donor resources needed to strengthen the capacity of the central technical agencies such as EMCI, Cook Islands Meteorological Service, and CCI.</li> <li>Government to work with Pacific Islands Centre for Public Administration and Pacific Islands Forum Secretariat (PIFS) to learn from experience in the region on good practice in attracting and retaining staff with scarce skills.</li> <li>Continue to work with the IMF’s Pacific Financial Technical Assistance Centre (PFTAC) and ADB in strengthening PFM capacity in MFEM and the Audit Office.</li> <li>Increase capacity of CPPO to undertake its national planning, monitoring and NSDC secretariat functions.</li> </ul>	<ul style="list-style-type: none"> <li>CG is seeking to move away from project-based aid to long-term development financing through budget support mechanisms.</li> <li>There are currently bottlenecks in ODA delivery including to outer islands that impact on many of those groups most vulnerable to the impacts of disasters and climate change.</li> <li>Full review of ODA programmes required to determine the bottlenecks.</li> <li>CG is seeking more cooperation from development partners regarding timely and complete information on development assistance (funding and results).</li> <li>CG has requested that development partners devote more attention to supporting government’s move towards addressing structural opportunities.</li> <li>Integrate CCDRM into development and ODA design and aid funding modalities (ODA Policy).</li> </ul>	<ul style="list-style-type: none"> <li>UN Women supports the incorporation of gender dimensions in strategic documents for disaster risk management and climate change through the provision of knowledge products and tools on the gendered implications of climate change and disasters.</li> <li>NSDP recognises gender equality including inclusion of special needs of women, persons with disabilities and other vulnerable groups.</li> <li>Women living in the outer islands have greater dependency on natural resources for their livelihoods and are therefore much more vulnerable to the impacts of climate change and disasters.</li> <li>Develop tools to ensure relevant CCDRM entities have expertise to effectively mainstream gender and social inclusion issues into relevant policies, plans and projects to ensure equity and inclusion.</li> <li>Clarify Gender and Development Division (GADD) mandate.</li> <li>Increase resources and capacity for GADD.</li> <li>Increase the amount of sex-disaggregated data collected.</li> <li>Increase technical capacity.</li> </ul>	

# Climate Change and Disaster Risk Financing Matrix – Federated States of Micronesia



Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing							
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness	Gender and Social Inclusion
<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>Australia, US Compact/USAID, EU, Japan, China, GEF/UNDP, SCCC, World Bank, ADB, MCT.</li> <li>Main sources for funding are bilateral (67%) and multilateral (33%).</li> <li>From 2011, composition of funding: mitigation (56.5%), adaptation (27.7%), DRM (10%) and DRR (5.8%).</li> <li>Micronesia Conservation Trust (MCT): funded by a variety of institutions and donors including private foundations.</li> <li>A disaster relief fund was established by the government.</li> <li>COFA has two specific provisions that relate to disasters.</li> <li>MCT accredited as Regional Implementing Entity (RIE) under the Adaptation Fund and GCF.</li> <li>Need to prioritise climate change adaptation to redress the skew towards mitigation.</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>GEF/UNDP – USD 22.7m Integrated Ridge-to-Reef approach to enhance ecosystem services, etc.</li> <li>ADB – USD 9.0m Yap Renewable Energy Development Project</li> <li>WB – USD 14.4m Energy Sector Development Project</li> <li>AF/MCT – USD 0.97m</li> <li>AF/SPREP – USD 9.0m</li> </ul>	<ul style="list-style-type: none"> <li>Nationwide Integrated Disaster Risk Management and Climate Change Policy finalised in June 2013 in line with the NSDP 2004–2023.</li> <li>Climate Change Act 2014 mandates Government to develop and implement the Climate Change Policy.</li> <li>Progress on policy is reported to Congress annually by the President.</li> <li>FSM also has a State Climate Change Act 2011 in Kosrae.</li> <li>Joint State Action Plans (JSAPs) provide comprehensive documents at the state level to guide CCDRM activities and priorities.</li> <li>JSAPs do not have a defined M&amp;E framework.</li> <li>National Policy Framework presents a gap in terms of articulating key national adaptation priorities.</li> <li>Climate Change Act does not mandate mainstreaming of climate change into other sectors.</li> <li>Support needed for development of mainstreaming guidelines and M&amp;E processes.</li> <li>Adopt standardised risk and vulnerability assessment framework.</li> </ul>	<ul style="list-style-type: none"> <li>Lead agency for CCDRM is Department of Environment, Climate Change and Emergency Management (DECEM).</li> <li>Climate finance split across a number of national organisations, posing complications for coordination.</li> <li>A number of coordination mechanisms established: Congress Climate Change committee at the legislature level and C&amp;SD Council at the national government level.</li> <li>GCF team established within DoFA.</li> <li>State governments not represented in C&amp;SD Council.</li> <li>Climate Change Country Team and Joint Resource Management Network work across national and state levels.</li> <li>Joint Resource Management Network was re-established to provide technical coordinating body for DRM at state and national levels.</li> <li>No central mechanism for the collection and dissemination of CCDRM-related information. Consider development of information management and dissemination tools.</li> <li>Need for strengthening coordination mechanisms at all levels.</li> <li>Use National Joint Platform to include standard CCDRM finance component.</li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>6.3% of total national expenditures for 2012–2016 used for CCDRM.</li> <li>CCDRM components of total CCDRM-related expenditure: Adaptation (USD 15.5m), Mitigation (USD 5.1m), DRM (USD 4.4m) and DRR (USD 4.0m).</li> <li>Fiscal gap expected from post-2023 Compact scenario, where annual financing gap of about USD 41m.</li> <li>State governments' CCDRM expenditures: <ul style="list-style-type: none"> <li>Pohnpei (2.9%)</li> <li>Yap (3.5%)</li> <li>Chuuk (1.2%)</li> <li>Kosrae (2.3%)</li> </ul> </li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>The focus in strengthening PFM in FSM is implementing the PFM Roadmap.</li> <li>Policy development, budget and planning is weak.</li> <li>39.1% of projects on-budget while 60.9% off-budget.</li> <li>Budget documents do not fully aggregate all public resources dedicated to achieving sector objectives.</li> <li>FSM yet to develop a Medium-Term Expenditure Framework (MTEF), a major component to improving future planning</li> <li>Financial mechanisms to deal with responses are rudimentary and limit the ability to respond quickly to a disaster.</li> <li>Greater emphasis on defining and tracking climate change finance required at the national level.</li> <li>Establish sector planning and coordination mechanisms at all levels of partnerships and engagements.</li> </ul>	<ul style="list-style-type: none"> <li>Limited capacity to access and manage CCDRM finance.</li> <li>Limited capacity at the four states to effectively engage with national government and donors.</li> <li>Core support for climate finance is the GCF National Designated Authority (NDA) Office which has only one full-time staff member.</li> <li>Technical expertise exists; however, coordination of technical expertise is minimal.</li> <li>Fragmentation of focal points for different international funding mechanisms that do not often share information.</li> <li>All four states have staffing within respective EPA.</li> <li>High staff turnover. Most high level positions are taken up by expatriates.</li> <li>Capacity building roadmap has been developed.</li> <li>No shortage of scholarships and training opportunities; however, no structured arrangement to address skills shortage.</li> <li>College of Micronesia provides CCDRM-related training.</li> <li>FSM Development Bank and Vital are building local capacity to access climate finance.</li> <li>Future CCDRM Projects should embed capacity building and knowledge transfer component.</li> <li>Strengthen government's engagement with NGOs.</li> </ul>	<ul style="list-style-type: none"> <li>Significant progress made on strengthening national institutions and policies for CCDRM and development.</li> <li>Demonstrated regional and international leadership on climate change issues.</li> <li>Scope for improved alignment and harmonisation.</li> <li>No formal coordination mechanism for donors.</li> <li>Different donor requirements or conditions have led to aid fragmentation.</li> <li>National Overseas Development Assistance Policy in place since 2013.</li> <li>Donor round tables and similar events not held on a routine basis, and discussion of CCDRM in the Compact negotiations and Joint Economic Management Committee (JEMCO) is not prominent.</li> <li>Lack of mutually agreed indicators and capacity to manage results making monitoring and evaluation of interventions a challenge.</li> <li>In-country missions by development partners are largely uncoordinated and joint missions rare. This places a significant burden on staff time at the country level. Consider joint missions and approaches.</li> <li>Efforts to ensure alignment of donor interventions with national priorities are required.</li> <li>Support dedicated capacity for monitoring and evaluating the effectiveness of aid, including CCDRM financing.</li> </ul>	<ul style="list-style-type: none"> <li>Gender policy in place and ongoing strengthening of FSM women representation</li> <li>Special attention to gender issues and the needs of marginalised groups, such as small atoll communities, the disabled and the elderly is provided in the Nationwide Integrated Disaster Risk Management and Climate Change Policy</li> <li>Vulnerabilities among these isolated communities and their disadvantaged groups vary considerably.</li> <li>Consider development of guidelines and systems for mainstreaming gender.</li> <li>Increase collection of gender and vulnerable group disaggregated data.</li> <li>Establish focal points for gender and social inclusion in all government agencies</li> </ul>	





## Climate Change and Disaster Risk Financing Matrix – Fiji

Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing							
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness	Gender and Social Inclusion
<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>Australia (DFAT), GEF, UNDP, EU, Japan, GFDRR</li> <li>COP23 support to Fiji from various countries (Australia, Belgium, China, EU, New Zealand, etc) and organisational donors.</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>ADB/GCF USD 98.7m Fiji Urban Water Supply and Wastewater Management Project</li> <li>GEF/UNDP USD 30.2m, Implementing a Ridge-to-Reef Approach to Preserve Ecosystem Services, Sequester Carbon and Improve Climate Resilience and Sustain Livelihoods</li> <li>GEF Special Climate Change Fund (SCCF) – USD 0.55m Climate Change Adaptation to Protect Human Health (Pilot)</li> <li>UNDP USD 1.0m, Green Climate Fund Readiness Programme</li> <li>AF/UN Habitat – USD 4,235,995</li> <li>Fiji Urban Water Supply and Wastewater Management Project GCF – USD 405.1m</li> </ul>	<ul style="list-style-type: none"> <li>5-Year &amp; 20-Year National Development Plan (NDP) recognises CC as a cross-cutting issue.</li> <li>Fiji's National Adaptation Plan Framework 2017 influences and accelerates the national development pathway towards climate-resilient development.</li> <li>Fiji National Disaster Committee (NDC) Implementation Road Map 2017–2030 guides NDC implementation.</li> <li>Republic of Fiji – National Climate Change Policy defines objectives and strategies to address climate change.</li> <li>NDMA and NDMP address DRM.</li> <li>CCDRM is not considered in all levels of planning, strategies and policies in government.</li> <li>CCDRM policies and plans are not costed, resulting in lack of coherence over the funding necessary to implement them.</li> <li>Fiji assumed presidency of COP23 in 2017.</li> <li>CCDRM mainstreamed into Annual Corporate Plans.</li> <li>Implementation plan to include a pipeline of projects and costs.</li> </ul>	<ul style="list-style-type: none"> <li>Climate Change Division has been shifted to Ministry of Economy from Ministry of Foreign Affairs.</li> <li>System of CCDRM committees, units, offices and other entities has weak connections resulting in a fragmented approach marked by a lack of communication and coordination.</li> <li>Fiji Development Bank accreditation to the GCF in October 2017 as a Direct Access Entity.</li> <li>The Ministry of Economy (MoE) has been designated as the National Designated Authority for the Green Climate Fund.</li> <li>Insufficient staff to meet the demand for CCDRM initiatives.</li> <li>Need to strengthen technical and project management capacities of teams.</li> <li>Increased communication flows from global, national and subnational actors will help all stakeholders get the information they need to deliver CCDRM projects.</li> <li>Develop benchmarks for the budget allocation to CCDRM expenditures.</li> <li>Analysis of the opportunities and challenges posed by creating a single climate/environment/energy/meteorology/disaster entity to promote coordination and coherence.</li> <li>Climate Change Division (CCD) and National Disaster Management Office (NDMO) to create "one-stop shop" for stakeholders to access information on Fiji's CCDRM plans, events, policies, projects and opportunities and procedures for accessing funds.</li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>CC and DRM estimated as 3.6% and 3.1% of total government expenditure (recurrent and capital) in 2014.</li> <li>Government expenditure on CC and DRM has risen from FID 65m in 2009 to FID 104.1m in 2014 and FID 47.5m in 2009 to FID 89.4m in 2014, respectively.</li> <li>Adaptation expenditure rose from FID 64 m in 2009 to FID 98m in 2014.</li> <li>In absolute terms, DRR expenditure increased from around FID 38m in 2009 to almost FID 64m in 2014.</li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>2012 PEFA assessment: Fiji scored well on the credibility of the budget projection against actuals.</li> <li>Government allocation to capital spending has significantly increased and is expected to continue to rise in the future.</li> <li>The PEFA scores on the donor indicators are low due to poor regular reporting to government by donors including those on CCDRM.</li> <li>Need for medium-term PFM Reform Roadmap to strengthen PFM systems.</li> <li>Lack of alignment between policies on CC and DRM and the allocation of resources.</li> <li>Building a more robust PFM system is a priority to raise confidence with development partners and facilitate access to CC and DRM finance.</li> <li>Permanently code the classification of CCDRM expenditures in the budget.</li> <li>Issue a finance circular to ministries and departments to classify CC and DRM expenditures in budget bids.</li> <li>Develop benchmarks for CCDRM Budget Allocations.</li> <li>Capture CCDRM expenditure outside the government budget in central database.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of adequate capacity in both the number of staff to implement CCDRM policies, plans and projects and the technical and project management skills required for staff to be successful.</li> <li>Insufficient capacity of local agencies and communities, and people working on the ground to access resources and skills to effectively promote CCDRM objectives.</li> <li>Review training needs of CCD, NDMO, Department of Energy and Fiji Meteorological Service to deliver CCDRM mandate.</li> <li>Develop a programme to deliver training for technical and project management capacities associated with CCDRM.</li> <li>Develop a programme to deliver training and guidance notes for local agencies and communities to access sources of funding and resources for CCDRM initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>Fiji needs to ensure that future CCDRM assistance, and development assistance in general, is in line with the NDP.</li> <li>Need for Fiji to build on the Paris Declaration for Aid Effectiveness and the Busan Principles of Development Effectiveness in the delivery of CCDRM.</li> <li>The alignment of donor assistance to government priorities need to be strengthened.</li> <li>Improve coordination between development partners.</li> <li>Consultation and coordination among development partners in their approach to CCDRM.</li> <li>Consolidation of the approaches by the ODA Unit at the Ministry of Education, the Prime Minister's Office and Ministry of Foreign Affairs and International Cooperation to manage donor-funded projects.</li> </ul>	<ul style="list-style-type: none"> <li>Input and contributions on CCDRM issues from government agencies responsible for women, youth, and people with disabilities are crucial.</li> <li>Fiji National Gender Policy has Access to Energy, Disaster Risk Management and Climate Change as objective 5.</li> <li>Gender considerations and social inclusion are integrated in NDP.</li> <li>Mainstreaming of GSI into all ministry and sector plans and programmes.</li> <li>Fiji to build on the significant international recognition of the links between gender and CCDRM.</li> <li>Ministry of Youth to play greater role in identifying and promoting the links between youth, climate change and disaster management.</li> <li>Greater recognition needed of the contribution of non-traditional stakeholders, such as women, youth, and people with disabilities to CCDRM policies, plans and projects.</li> </ul>	

# Climate Change and Disaster Risk Financing Matrix - Kiribati



Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing						
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness
<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>Australia, New Zealand, World Bank/GEF, ROC/Taiwan, Japan, EU, ADB.</li> <li>Total CCDRM amount accessed by Kiribati between 2011 and 2018 is USD 83.5 million.</li> <li>Of the total amount accessed, 26% was from bilateral sources and 76% from multilateral.</li> <li>82% of the total CCDRM funding accessed by Kiribati was reflected in the national budget, and 18% was off-budget.</li> <li>Total funding by category: adaptation (53%), mitigation (32%), DRR (9%), and DRM (6%).</li> <li>Top six beneficiary sectors are water and sanitation (40%), energy (19%), transport infrastructure (12%), conservation and biodiversity (8%), enabling environment (8%) and agriculture and food security (5%).</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>WB/GEF/LDCF/Australia – USD 10.8m, Kiribati Adaptation Phase III</li> <li>WB/GEF – USD 2.85m, Kiribati Grid Connected Solar PV Project</li> <li>EU – €3.4m Water and Sanitation in the Outer Islands of the Republic of Kiribati (Phase I) - KIRIWATSAN I</li> </ul>	<ul style="list-style-type: none"> <li>Kiribati Joint Implementation Plan for Climate Change and Disaster Risk Management (KJIP), 2014–2023 integrates CC and DRM.</li> <li>Climate change and disaster risks are being addressed in policies and strategies relating to population, water and sanitation, health and environment.</li> <li>Kiribati Development Plan (KDP) 2012–2015 required greater mainstreaming of CCDRM and it is hoped that this will be addressed in the formulation of Kiribati Development Plan 2016–2019 supported by UNDP.</li> <li>Kiribati has launched a first ever National Climate Change Policy in mid-2018, which exists as a higher level strategic policy document that sits above the KJIP.</li> <li>Kiribati integrated Vulnerability Assessment (KIVA) and its recently developed associated database, however, lack capacity to effectively analyse data.</li> </ul>	<ul style="list-style-type: none"> <li>Kiribati National Expert Group on CCDRM (KNEG) is the main advisory body and coordination mechanism as well as the entry point for CCDRM initiatives.</li> <li>The KJIP Secretariat under the Office of the Beretitenti (President) will facilitate the coordination, implementation and monitoring of the KJIP through the KNEG, guided by the Development Coordination Committee.</li> <li>KNEG is chaired by the Office of the Beretitenti and consists of representatives from Ministry of Finance and Economic Development (MFEED), Ministry of Foreign Affairs and Immigration (MFAI), Ministry of Internal Affairs (MIA) and all line ministries; the private sector, NGOs and faith-based organisations.</li> <li>In 2016, Cabinet approved the establishment of the Climate Finance Division (CFD) within MFEED to support the country to engage and access climate change finance.</li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>Government of Kiribati spends 8% of its recurrent budget on CCDRM related activities and 92% on non-CCDRM activities. This is consistent with the upper range of the trend observed in other PICs.</li> <li>21% of the development budget over 2014 to 2018 was expended on CCDRM-related activities.</li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>PFM systems in Kiribati are functioning within a capacity constraint situation making the implementation of PFM reforms rather challenging due to limited human and financial resources and the inability to access the skills required for specialised PFM functions from the local labour market.</li> <li>GoK has actively engaged partners to progress several PFM reforms over the past few years.</li> <li>The existing budget classification is not compatible with the international classification system known as Government Financial Statistics (GFS) or with the widely accepted Classification of Function of Government (COFOG).</li> <li>Gaps regarding predictability and control of resource flows.</li> <li>No M&amp;E framework and no formal discussion on developing one.</li> <li>Kiribati does not have a specific mechanism to deal with disaster response in a timely manner.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of dedicated technical human capacity to access climate finance and implement CCDRM activities.</li> <li>Due to limited capacity at the subnational level, it is very difficult to effectively respond to community requests for support in a timely manner compounded with the remoteness of atoll islands in Kiribati.</li> <li>Need for strengthening capacity to access finance, monitor expenditures and maintain strong partnerships.</li> <li>Strengthen the capacity of the Kiribati Meteorological Service (KMS) to collect and manage data and information on weather and climate variability.</li> <li>Implement education programme on CCDRM issues across government.</li> <li>Assess the implementation capacity of key implementing ministries of CCDRM-related programmes and activities.</li> <li>Develop capacities and understanding of CCDRM issues in line ministries for integration of CCDRM issues into national plans.</li> </ul>	<ul style="list-style-type: none"> <li>National commitment to CC is evident because of cabinet's endorsement of a National Climate Change and Adaptation Framework and the establishment of the KJIP for CCDRM.</li> <li>6-month reporting system to National Economic Planning Office which then presents these reports to Development Coordinating Committee (DCC) that will then make recommendations to Cabinet for approval.</li> <li>No formal donor-to-donor coordination mechanism.</li> <li>A significant amount of the development budget support to Kiribati is not using Kiribati's national systems, but the respective donor's own systems.</li> <li>Donor practices need to be strengthened.</li> <li>Need for finalisation of Aid Policy including policy on mission scheduling.</li> <li>Strengthen capacity of NEPO to undertake aid management.</li> <li>Government to strengthen engagement with its development partners.</li> <li>Seek donor support for centralised M&amp;E system and technical capacity.</li> <li>Donors to consider establishing a donor-to-donor coordination mechanism for resilient development/climate and disaster risk financing.</li> </ul>	<p><b>Gender and Social Inclusion</b></p> <ul style="list-style-type: none"> <li>National development plans and sector policies in Kiribati recognise gender and social inclusion and provide a clear mandate for mainstreaming GSI issues throughout national programmes.</li> <li>However, there is weak focus on mainstreaming gender in non-traditional areas outside the core social policy areas, such as CCDRM.</li> <li>Strategy 12 in the KJIP emphasises enhancing the participation and resilience of vulnerable groups.</li> <li>The KJIP has been founded on two guiding principles, namely: socio protection/gender equity and results-based management.</li> <li>Lack of gender disaggregated data at the community and household level.</li> <li>Lack of financial support for GSI entities.</li> <li>Strengthen ministry capacities to effectively implement GSI policies in KJIP and KDP.</li> <li>Strengthen capacity for data collection and GSI data analysis.</li> <li>A whole-of-government approach to gender mainstreaming is required.</li> </ul>



# Climate Change and Disaster Risk Financing Matrix - Republic of the Marshall Islands

Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing							
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness	
	<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>Japan (Bilateral and PEC), EU, GEF, US, Australia, Taiwan /ROC, Germany, REDD, DFID</li> <li>40 CC-related projects (2008–2013) totalling around USD 34.1m after weighting for climate relevance.</li> <li>Total funding by category: Adaptation 58%, mitigation 39% and other (enabling) 3%.</li> <li>Majority of projects focus on adaptation.</li> <li>Energy, Water and Sanitation and transport Sectors received the most funding.</li> <li>82% of CC-relevant funding was from bilateral and 18% from multilateral sources. Concern that RMI is not accessing multilateral funds.</li> <li>Only 39% of spending reflected in national budget. 61% are off-budget.</li> <li>No comprehensive list or database of development and CCDRM Projects.</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>PEC Fund (Japan) – USD 3.1m Portable Water Solutions for Outer Islands</li> <li>GEF/UNDP - USD 2.6m Action for the Development of Marshall Islands Renewable Energy (ADMIRE).</li> <li>US Compact II</li> <li>GCF – Pacific Resilience Project Phase II for the Republic of the Marshall Islands – USD 44.1m.</li> </ul>	<p><b>NSP 2014 and Vision 2018</b></p> <ul style="list-style-type: none"> <li>Climate Change identified as key threat to social, economic and cultural development.</li> <li>NSP provides a sound framework for implementing key responses and climate finance deployment.</li> <li>The TII Eo 2050 Climate Strategy.</li> </ul> <p><b>JNAP</b></p> <ul style="list-style-type: none"> <li>Useful overarching framework for CCDR; however, no clear action plan and implementation timetable.</li> <li>Does not make reference to a range of policies and plans.</li> <li>Concept of CCA framed narrowly and constrains its ability to contribute to broader development and resilience-related objectives.</li> <li>Broad gender gap</li> <li>Limited stakeholder engagement and consultation during drafting process.</li> </ul> <p><b>Sector Policies</b></p> <ul style="list-style-type: none"> <li>Most identify a wide range of sources of vulnerability and specific risks posed by climate change.</li> <li>Mainstream CC into sector plans/policies and budgets – Office of Environmental, Planning and Policy Coordination (OEPPC) and Economic Policy, Planning and Statistics Office (EPPSO).</li> <li>Implementation plans needed for NSP, Joint National Action Plan (JNAP) and climate-related sectors outlining how to achieve broad policy goals and priorities for funding.</li> </ul>	<ul style="list-style-type: none"> <li>OEPPC and National Climate Change Committee and Office of Chief Secretary (OCS) supposed to function as key bodies for coordination.</li> <li>Effectiveness of Institutional Arrangement: <ul style="list-style-type: none"> <li>Limited climate change Information and Knowledge management.</li> <li>Major coordinating mechanisms of National Climate Change Committee (NCCC) and OEPPC beset by problems arising from lack of resources and capacity.</li> <li>Limited project coordination and oversight from key institutions.</li> <li>Existing processes do not facilitate good consultation or development of well-integrated approaches.</li> <li>Multi-institutional approach to accessing external resources.</li> <li>Greater clarity needed on specific CCDRM and M&amp;E roles of agencies involved in planning, coordinating and implementing government's CCDRM response.</li> </ul> </li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>Total CCDRM-weighted spending = USD 34.1m (2008–2013).</li> <li>This equates to about 40% of total development assistance for CCDRM.</li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>Adherence to budget discipline at aggregate level.</li> <li>Transparency of intergovernmental fiscal relations.</li> <li>Orderliness and participation in annual budget process.</li> <li>Predictable amounts of direct budget support provided by donors.</li> <li>Inconsistencies between planned budget and actual expenditure.</li> <li>Lack of comprehensiveness and transparency of budget.</li> <li>Weak links between sector plans and budgets.</li> <li>Better policy and budget linkages needed with new NSP linking to CCDRM.</li> <li>Implement PFM Roadmap especially: <ul style="list-style-type: none"> <li>improve procurement</li> <li>strengthen links between budget and planning</li> <li>introduce medium-term perspective</li> </ul> </li> <li>Prepare Compact Decrement plan considering CCDRM issues.</li> <li>Ministry of Education identify CCDRM focal point.</li> <li>Develop methodology and database to tag, store and monitor CCDRM expenditures.</li> </ul>	<ul style="list-style-type: none"> <li>Limited technical capacity and staff numbers in local workforce to deal with CCDRM issues in all ministries.</li> <li>OEPPC lacks long-term certainty with limited permanent staff; development partners to consider funding long-term permanent positions in OEPPC.</li> <li>Large number of expatriate staff handling CCDRM projects and issues. Include knowledge transfer to locals in all terms of reference for external technical assistance.</li> <li>Considering modalities for building capacity, include secondment schemes, short- and long-term training activities, staff retention measures, and ongoing capacity-building through resident expatriate staff.</li> <li>Capacity focus on project preparation and implementation.</li> <li>Develop long-term plan to build CCDRM capacity across key government ministries.</li> <li>Regional Technical Support Mechanism (RTSM) and Pacific Technical Assistance Mechanism (PACTAM) to fill short-term capacity gaps for CCDRM.</li> <li>Government to consider programming resources from Compact for capacity building support in CCDRM.</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrated regional and international leadership on CCDRM.</li> <li>Donor alignment with NSP.</li> <li>Difficulties in meeting donor requirements.</li> <li>Weak donor–donor collaboration and coordination in-country.</li> <li>Best use of Grant Writing Office (GWO).</li> <li>Development assistance not well coordinated, fragmented and at times duplicative.</li> <li>Implement peer review recommendations.</li> <li>Round-table meeting (RTM) on NSP to help align development partner and RMI priorities – including CCDRM.</li> <li>Strengthen in-country coordination of donors represented.</li> <li>Strengthen GWO to help training in project preparation.</li> <li>Need to mainstream climate change considerations into development assistance activities.</li> <li>Donor support needs to be harmonised with country priorities.</li> </ul>	<p><b>Gender and Social Inclusion</b></p> <ul style="list-style-type: none"> <li>Progress in gender equality has been evident in some spheres although limited</li> <li>Note the strong role of women's NGO WUTIM, which has chapters in all atolls and partners in climate change projects GSI integrated into TII Eo 2050 Climate Strategy.</li> <li>Need for more political will for mainstreaming of GSI.</li> <li>Need for gender disaggregated data.</li> <li>Resourcing for entities responsible for gender issues.</li> <li>National Climate Change Policy Framework covers goals and outcomes on gender.</li> <li>EPPSO to expand specific gender indicators.</li> <li>Develop tool for mainstreaming gender.</li> <li>Gender focal points in ministries required.</li> <li>Consider calls for the development of gender-sensitive strategies for climate change responses.</li> </ul>



# Climate Change and Disaster Risk Financing Matrix - Nauru

Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing						
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness
<p><b>Gender and Social Inclusion</b></p> <ul style="list-style-type: none"> <li>Women's Affairs Department (WAD) faces a lack of capacity and resources to effectively implement gender work plans.</li> <li>NSDS 2009–2025 integrates CC and gender considerations.</li> <li>Lack of capacity of Nauru Statistics Bureau (NSB) to produce timely and accurate data to monitor GS issues.</li> <li>Increase resources and capacity for the Women's Affairs Department and greater involvement with CCDRM issues.</li> <li>Consider full participation and maintenance of women and gender issues in all government plans, policies and programmes including CCDRM issues.</li> <li>Build the capacity of NSB to collect and publish age and gender and vulnerable group disaggregated data.</li> </ul>	<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>EU (39%), GEF/UN Agencies (22%), Japan (20%), Australia (11%), Taiwan (4%).</li> <li>86% of total climate change expenditure from 2005–2013 was provided by bilateral sources and 14% through multilateral sources.</li> <li>CCDRM-weighted expenditure by category: balanced between adaptation (48%) and mitigation (48%).</li> <li>CCDRM-weighted expenditure for 2005–2013 focussed on energy (43%), water (34%), multi-sectoral focus (13%), coastal protection (3%), agriculture and food security (3%), and DRM (4%).</li> <li>Difficult to quantify domestic and external CCDRM financing and distinguish from ongoing ODA.</li> <li>Augment global funding sources to enable better access to CCDRM.</li> <li>Maintain and strengthen relationships with key bilateral development partners for CCDRM.</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>EU –€3.1m Renewable Energy &amp; Energy Efficiency Programme</li> <li>Japan (PEC Fund) – USD 4.0m solar power generation system and seawater desalination plant</li> <li>GEF/UNDP/SPREP – USD 1.25m Pacific Adaptation to Climate Change (PACC) Project</li> </ul>	<ul style="list-style-type: none"> <li>Has shown great leadership at international and regional levels. Nauru was chair of the Alliance of Small Island States (AOSIS) from 2012 to 2014.</li> <li>Climate change considered in 2009 revision of National Sustainable Development Strategy (NSDS) 2005–2025, however, not fully integrated into the document, hence not comprehensively considered in decision-making processes.</li> <li>Republic of Nauru Framework for Climate Change Adaptation and Disaster Risk Reduction (RONAdapt) developed through a collaborative effort among various regional organisations and development partners including the Secretariat of the Pacific Community (SPC) and the European Union.</li> <li>While some progress in integrating CCDRM in sector policies, plans and AOPs, this has not been done in all cases.</li> <li>Some sectoral strategies, including several related to CCDRM, are awaiting approval or are under development.</li> <li>Improved mainstreaming CCDRM into sectoral policies and plans and Annual Operating Plans (AOPs) and the National Budget required.</li> <li>Climate Change Unit (CCU) engagement with senior management to ensure key policies and plans are finalised and approved in a timely manner for implementation.</li> <li>Update climate change priorities for Nauru over the short, medium and long term to inform relevant national policies, plans and associated budgetary processes.</li> <li>Mainstream CCDRM into AOPs.</li> </ul>	<ul style="list-style-type: none"> <li>There is a heavy reliance on key personnel on CCDRM issues.</li> <li>Improve the systems and processes to inform Cabinet and President on CCDRM issues.</li> <li>Action on climate coordinated by the Government of Nauru (GoN), with donors, regional organisations and international organisations also playing key roles.</li> <li>Civil society and the private sector have some engagement on climate change issues; however, their involvement is minimal, reflecting their limited capacity to engage in development issues more broadly.</li> <li>Responsibility for the GoN's climate change programme is spread across different agencies.</li> <li>Management of the GoN's climate change programme is heavily dependent on Secretary for Commerce, Industry and Environment (SCE).</li> <li>Need to clarify CCDRM roles and responsibilities.</li> <li>Strengthen links between focal points and Planning and Aid Division (PAD).</li> <li>Establish of High Level Climate Change Steering Committee (HLCCSC).</li> <li>Institutional links between the Department of Commerce, Industry and Environment (DCIE) and the Department of Finance and Sustainable Development (DFSD) need to be strengthened.</li> <li>PAD needs to improve links to CCDRM focal points.</li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>CCDRM-weighted spending 2005–2013 was AUD 19.0m.</li> <li>CC-related expenditure accounted for an estimated 16% of ODA in 2012–13 up from 5% in 2010–11.</li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>Nauru's PFM system does not meet the requirements of a well-functioning, basic PFM system.</li> <li>NIE status a long-term issue.</li> <li>PFM systems reform in line with Nauru PFM Action Plan.</li> <li>Difficulty in accounting for in-kind support.</li> <li>Implement PFM Action Plan.</li> <li>Increase use of Treasury Fund to deliver CCDRM.</li> <li>Develop systems to track CCDRM expenditure on ongoing basis.</li> </ul>	<ul style="list-style-type: none"> <li>Limited capacity in DCIE to manage the GoN's climate change programme.</li> <li>Support needed for DFSD and PAD given its key role in overseeing CC-related expenditure, development and monitoring of national policies, and development partner coordination.</li> <li>Lack of capacity and understanding of CCDRM issues across GoN.</li> <li>Improve capacity within CCDRM focal points including the technical capacity of the CCU.</li> <li>DFSD priority for implementation of any climate change-related capacity building activities, including training programmes.</li> <li>Short-term capacity supplementation to assist the GoN effectively complete specific tasks.</li> <li>Longer term support for in-line advisers.</li> </ul>	<ul style="list-style-type: none"> <li>Climate change portfolio with President ensures climate change issues are handled at highest level of government.</li> <li>Predictability of aid is improving.</li> <li>Ownership and leadership of the NSDS and sectoral policies and plans are a guide for donors for CCDRM activities but there is no detailed monitoring of the NSDS undertaken on a routine basis.</li> <li>Lack of staff and capacity in PAD limits the capacity of the GoN to move forward with its development, CCDRM and aid management agenda.</li> <li>The majority of CC-related assistance is delivered through project support.</li> <li>Implementation of Aid Management Action Plan and strengthen staff and capacity of PAD.</li> <li>Consider having donor round tables.</li> <li>Ensure donor-funded programmes are aligned with national priorities.</li> </ul>

# Climate Change and Disaster Risk Financing Matrix - Niue



Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing						
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness
<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>NZAP, Japan, (PEC Fund), EU, Australia (DFAT), GEF, UNDP</li> <li>Global funds processes too labour intensive and complicated given limited capacity for developing and implementing projects.</li> <li>CROP's tend to respond more quickly than other organisations.</li> <li>DFAT CC assistance implemented through GEF project with funds mobilised quickly and streamlined through GEF, so no additional administrative requirements.</li> <li>Niue has submitted concept notes to GCF for consideration.</li> <li>Niue has benefited from various regional projects implemented through regional organisations.</li> </ul> <p><b>Examples of Major Projects</b></p> <ul style="list-style-type: none"> <li>Japan (PEC Fund) – USD 4.0m Design, Manufacture &amp; Installation of Solar Power Grid Connected Generators &amp; Battery Backed Power Stabilizer</li> <li>EU – €2.85m Renewable Energy and Energy Efficiency for Niue</li> <li>GEF/UNDP – USD 12.4m, Application of Ridge-to-Reef Concept for Biodiversity Conservation</li> </ul>	<ul style="list-style-type: none"> <li>The Niue National Strategic Plan (NNSP) 2016–2026 guided the development of Niue's JNAP completed in 2012.</li> <li>Climate change policy completed.</li> <li>Climate change considerations needs to be mainstreamed.</li> <li>Project implementation not well aligned with policies and plans.</li> <li>Responsibility for oversight and implementation of policies and plans is sometimes unclear (e.g. NNSP).</li> <li>Unclear alignment of projects funded through the recurrent (government) budget with climate change policies and plans.</li> <li>Reporting requirements burdensome (takes staff away from implementation), with different reporting requirements for different implementing agencies.</li> <li>No M&amp;E of NNSP.</li> <li>Full PCCFAR Assessment would be useful.</li> <li>Clarify responsibility for overseeing implementation of the national strategic plan.</li> <li>Niue National Strategic Plan with workable M&amp;E Framework.</li> </ul>	<ul style="list-style-type: none"> <li>Department of Environment (DoE) is responsible for implementing JNAP, coordinating CC-related activities across sectors and focal point of the GEF.</li> <li>National CC, DRR and JNAP committees to be merged.</li> <li>National Climate Change Country Team (NCCCT), together with technical working groups established under the Niue Department of Meteorology and Climate Change (NDMCC) responsible for implementing the NNSP.</li> <li>Finance and Treasury, Niue Power, Department of Agriculture, Forestry and Fisheries should be involved in CC, DRR and JNAP committees.</li> <li>The Business Council of Niue (BCN) and External Affairs should be included in the CC, DRR and JNAP committees.</li> <li>Establishment of a climate change unit to drive JNAP implementation.</li> <li>Formalise reporting lines between DoE and civil society (youth, NGOs, Community Village Councils, Women's Group, private sector, etc.).</li> <li>Simplify lines of communication, roles and responsibilities between CC and DRR stakeholders</li> <li>Improve arrangements for M&amp;E of NNSP.</li> </ul>	<ul style="list-style-type: none"> <li>PEFA assessment completed in August 2011, out of which a PFM Roadmap (2012-2014) was prepared.</li> <li>NIE status is probably not an option, at least in the medium term and therefore might be best to access funds through Multilateral Implementing Entities (MIEs) and Regional Implementing Entity (RIE).</li> <li>Expenditure analysis in line with PCCFAR and CPER is needed.</li> <li>Assistance required to implement PFM Roadmap.</li> </ul>	<ul style="list-style-type: none"> <li>Climate change included as priority in National Capacity Development Strategy and Action Plan.</li> <li>The main challenge for Niue is the lack of capacity or constraints in terms of finance and labour to implement the NDS or any plans/strategies that may be produced.</li> <li>Poor alignment of recurrent (government) budget projects with climate change policies and plans; this could be addressed with additional staff.</li> <li>Improvement needed to raise awareness and build support for climate change action amongst the general public.</li> <li>Staff turnover within implementing agencies is high, leading to difficulty in retaining and maintaining capacity.</li> <li>Project development support from implementing agencies has been useful; unlikely to access funding from global sources without assistance such as using MIEs and RIE.</li> </ul>	<ul style="list-style-type: none"> <li>Premier is supportive of action on climate change and has been vocal at international and regional forums.</li> <li>Senior management is supportive of climate change action and is proactive in integrating CC into their programmes.</li> <li>Donor-funded projects generally align with policies and plans.</li> <li>All CC support delivered through projects but more flexible mechanisms preferred.</li> <li>There are opportunities to improve engagement with the private sector through National Development Bank grants programme.</li> <li>Finalise Development Cooperation Policy.</li> <li>Look at opportunities to improve engagement with the private sector through National Development Bank grants programme (similar to that in Palau).</li> <li>Donors and implementing partners should harmonise and streamline reporting arrangements.</li> </ul>	<p><b>Gender and Social Inclusion</b></p> <ul style="list-style-type: none"> <li>Niue is leading the Pacific Islands region with the highest percentage of women in the National Parliament.</li> <li>The Pacific Leaders Gender Equality Declaration 19nd Assessment Report 2012–2016 noted Niue as one of the three countries in the Pacific which achieved MDG 3 Gender Equality.</li> <li>A key challenge for Niue is to ensure that gender-sensitivity and disability inclusiveness is addressed in its climate change programmes, projects and activities.</li> <li>There is a need for greater mainstreaming of GSI into planning documents as existing plans lack detailed GSI policies and plans.</li> <li>Raising awareness is needed to develop community support for gender and social inclusion responsive government programmes, possibly due to lack of understanding of issues around GSI and development.</li> <li>Integration of GSI into NNSP, JNAP and National Climate Change Strategy.</li> <li>Finalise and approve the draft policy on gender equality.</li> </ul>

# Climate Change and Disaster Risk Financing Matrix – Palau



Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing							
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness	Gender and Social Inclusion
<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>Australia, EU, US Compact/ USAID, GEF/UNEP/UNDP, Japan/PEC Fund, RoC/Taiwan</li> <li>Estimated total funding of USD 28.7m (2010–2017).</li> <li>Of the 73 projects analysed from 2010–2017: 55 projects accounting for USD 18.7m were off-budget (65.3%) and 18 projects accounting for USD 10m were on-budget (34.7%).</li> <li>Composition of CCDRM sources of funds (2010–2017): <ul style="list-style-type: none"> <li>Bilateral 63.6% (USD 18.2m),</li> <li>Multilateral 34.2% (USD 9.8m) and other sources 2.3% (USD 0.7m).</li> </ul> </li> <li>Establishment of a number of innovative domestic funding mechanisms (Protected Area Network Fund, MC Endowment Fund and Rock Island Permit fees).</li> <li>There is a lack of predictable resources to meet unexpected needs resulting from extreme climate events.</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>GEF/UNEP/GoP – USD 15.7m, Ridge-to-Reef: Advancing Sustainable Resources Management to Improve Livelihoods and Protect Biodiversity in Palau</li> <li>Japan/PEC Fund – USD 4.0m – Project of Desalination Reverse Osmosis (RO) System and Solar Power Generation System in Palau – Peleliu State.</li> </ul>	<ul style="list-style-type: none"> <li>Recent restructuring of the Executive Branch resulted in a new institutional set-up for Office of Climate Change (OCC) situated within the Bureau of Budget and Planning.</li> <li>OCC has mandate for development, review, and updating of the Palau Climate Change Policy, and coordinates mainstreaming.</li> <li>OCC currently works</li> <li>NDRMF and National Emergency Management Office (NEMO) oversee DRR/DRM at national and subnational level.</li> <li>Lack of a dedicated development planning office.</li> <li>Office of Project Management is a newly operationalised office in 2017 with one full-time staff member.</li> <li>A number of coordination mechanisms for CCDRM-related activities currently exist; however, there is still a need for better coordination.</li> <li>Recently accessed GCF readiness funds to undertake an institutional assessment of the Ministry of Finance.</li> <li>Processes to manage and disseminate information, as well as monitor and evaluate CCDRM progress at all levels, is currently lacking.</li> </ul>	<ul style="list-style-type: none"> <li>Significant progress in developing CCDRM policies and establishing a supporting national landscape for prioritising these issues.</li> <li>Palau Climate Change Policy (PCCP) 2015 provides an overarching framework and priorities.</li> <li>National Disaster and Risk Management (NDRMF) 2010 provides the policy and institutional framework for DRM and DRR.</li> <li>NDRMF exists as a procedural document and does not contain any outcomes or targets.</li> <li>Weak linkages between Palau Climate Change Policy and National Disaster Risk Management Framework.</li> <li>Protected Areas Network provides a key entry point for incorporating CCDRM issues at subnational level.</li> <li>Lack of CC mainstreaming in government of Palau policies and action plans.</li> <li>Ensure inclusion of CCDRM across sectors in the development of a new overarching national development plan.</li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>CCDRM expenditures from 2011–2015 ranged between 6% and 7% of total Republic of Palau expenditures, except for 2013, which rose to 9.5% as a result of increased funding for the Typhoon Haiyan disaster.</li> <li>Infrastructure, disaster management, utilities, biodiversity, agriculture, and fisheries were consistently the sectors that benefited from the government's CCDRM-related expenditure.</li> <li>Fund accounting system limits its ability to efficiently extract, analyse, and report financial information on the basis of economic classifications, and policy objectives and outcomes.</li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>Budget structured at the highest level by source of funding. This presents challenge of monitoring how an overall portfolio for a sector or sub-sector is performing.</li> <li>Lack of documentation to clarify the policy and strategies that shape the budget and the assumptions underlying the fiscal parameters and projections.</li> <li>Predictability of expenditure is quite remarkable.</li> <li>Lack of coordination mechanisms and clarity of hierarchy of authorities in government.</li> </ul>	<ul style="list-style-type: none"> <li>Palau is taking measures to build and supplement its national capacity to access and manage international climate change finance.</li> <li>Some experienced government officials have relevant knowledge and engagement with the UNFCCC negotiations and global climate funds, including the Green Climate Fund.</li> <li>Palau's Climate Finance Officer is currently serving as a special adviser to the SIDS Board member in the GCF Board. Samoa's Ambassador to the United Nations.</li> <li>Challenge to retain project-funded staff members at the end of projects.</li> <li>State governments in Palau have minimal staff.</li> <li>Palau Community College (PCC) plays a key role in building the capacity of both Palau government officials and school leavers.</li> <li>Capacity building and supplementation for climate change and disaster risk management must remain a national priority for Palau.</li> <li>Inclusion of officials from other departments in future finance negotiations.</li> <li>Need to support dedicated capacity for M&amp;E.</li> </ul>	<ul style="list-style-type: none"> <li>Aid Coordination and Grants Management Executive Order and the Presidential Directive on Policies and Procedures of Aid Coordination and Grants Management aim to ensure projects are consistent with national strategies and priorities.</li> <li>Government has put in place bilateral agreements on external assistance with US, Japan and RoC/Taiwan.</li> <li>Exceeded most of its commitments to the Micronesia Challenge.</li> <li>Evidence of fragmentation of support as most of Palau's CCDRM programme is project-based, and a significant portion (65%) are off-budget and not tracked.</li> <li>Some external sources of support such as the US Compact funding have stringent conditions that have little flexibility for reallocation once funds are agreed and programmed. This makes it difficult for the government to apply the principle of alignment and harmonisation, particularly when Government priorities and national circumstances change.</li> <li>No formal donor-to-donor coordination mechanism.</li> <li>Lack of mutually agreed indicators and limited capacity to manage results and assess the effectiveness of CCDRM activities</li> <li>Partners that are currently engaging with the Government of Palau do not report through the same entry point.</li> <li>Need for better alignment of aid management functions with national planning and budgeting, especially with respect to CCDRM.</li> <li>Need to lead donor coordination and harmonisation (following the Tonga model).</li> <li>Consider joint missions and approaches.</li> </ul>	<ul style="list-style-type: none"> <li>Palau is taking steps to integrate GSI into CCDRM.</li> <li>Women's labour force participation and educational status are among the highest in PICs and overall rates of literacy are also high.</li> <li>A number of progressive traditions and current policies and programmes that promote gender equality and social inclusion.</li> <li>Limited measurement of the extent to which marginalised or vulnerable groups benefit from climate change adaptation and disaster risk reduction programmes.</li> <li>Implementing first gender mainstreaming policy for government.</li> <li>Special attention to vulnerable people in Medium-Term Development Strategy (MTDS) broadly characterised as persons who have special needs due to physical or social characteristics or persons (or households) experiencing economic hardship.</li> <li>Greater mainstreaming of gender and social inclusion in national and CCDRM plans needed.</li> <li>Limited disaggregated data on GSI.</li> <li>Establish gender focal points across ministries to facilitate mainstreaming and resource these.</li> <li>Develop GSI guidelines, "how to" tools, and training in methods that will apply to CCDRM projects.</li> </ul>	



# Climate Change and Disaster Risk Financing Matrix - Papua New Guinea



Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing							
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness	Gender and Social Inclusion
<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>Australia, AF/UNDP, GEF/UNDP, ADB, Japan, NZAP, WB/GFDRR, REDD+, USAID, SPC/GIZ.</li> <li>PNG has accessed the Adaptation Fund by using UNDP as a MIE.</li> <li>PNG is one of the countries involved in the Pacific Islands Renewable Energy Investment Program (USD 1.7m) from GCF.</li> <li>Investigating legislation for a national climate fund for managing pooled funds from CDM, UNREDD+, grants and other climate finance schemes.</li> <li>Continued use of MIEs and RIE to access AF and GCF while working towards achieving NIE status.</li> <li>Undertake CPEIR/PCFAF and NIE rapid assessments.</li> <li>Government should explore the establishment and capitalisation of a national "Climate Change Resilience and Green Growth Fund".</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>ADB/SCF (TA) USD 0.82m - Strategic Program for Climate Resilience (SPCR) Implementation Project</li> <li>NZ/Japan USD 5.0m - Improved Energy Access for Rural Communities</li> <li>AF/UNDP, USD 6.5m Enhancing adaptive capacity of communities to CC-related floods in the North Coast and Islands Region of PNG.</li> </ul>	<ul style="list-style-type: none"> <li>The Guiding Planning documents are: <ul style="list-style-type: none"> <li>Papua New Guinea Vision 2050</li> <li>PNG Development Strategic Plan 2010–2030 (PNG DSP)</li> <li>National Strategy for Responsible Sustainable Development (StaRS)</li> <li>Medium-Term Development Plan (MTDP2) 2016–2017.</li> <li>Climate Change (Management) Act 2015.</li> </ul> </li> <li>These set out key strategies to adapt to the domestic impacts of climate change and contribute to global efforts to abate greenhouse gas emissions and reduce disaster risks.</li> <li>Complementing these higher level planning documents is the major CC policy document the National Climate Compatible Development Management (NCCDM) Policy, 2014–2016 (2014).</li> <li>Technical agencies and sector coordination committees to review and update sector plans and policies ensuring climate change is adequately mainstreamed, and that updated plans and policies are costed and linked to the MTDP III.</li> </ul>	<ul style="list-style-type: none"> <li>Climate Change (Management) Act 2015 establishes Climate Change Development Authority (CCDA, formerly Office of Climate Change and Development – OCCD, which provides the coordination mechanism at national level for research, analysis and development of CC policy and legal framework for National Strategy on Climate Compatible Development.</li> <li>CCDA supported by Technical Working Groups (TWGs) for UNREDD+, Low-carbon Growth, Adaptation and National Consultation.</li> <li>Members of TWGs include government, NGOs, academics, private sector, development partners, church groups and research institutions.</li> <li>Development partners in PNG do have an active Development Partners Round Table (DPRT) that meets regularly.</li> <li>No national coordination mechanism on climate change or climate finance.</li> <li>Development of strategic plan for CCDA and other operations and procedural manuals.</li> <li>Develop in-country climate change institutional processes and systems.</li> <li>Seek advice on central and subnational institutional support.</li> <li>Conduct situation analysis of the Ministry of Climate Change.</li> <li>Streamline/integrate climate change policy at all institutions and sectors.</li> <li>Strengthen relationship with CSOs and the private sector.</li> </ul>	<ul style="list-style-type: none"> <li>Progress has been made in operationalising the Integrated Financial Management System (IFMS), integrating recurrent and development budgets, and undertaking a public expenditure review and a Public Expenditure and Financial Accountability (PEFA) self-assessment.</li> <li>Further efforts needed to improve cash management and medium-term budgeting practices.</li> <li>There is a need to strengthen mechanisms for delivering funding to provinces and communities to improve how CC needs are being addressed.</li> <li>The Government allocates an annual budget of around PKG 20m for disaster contingency, parked under the "Miscellaneous" chart of accounts. Unfortunately, the funding is often reallocated/reprioritised to other competing government priorities.</li> <li>Only a few externally funded climate change projects are captured in PNG's budget, and some partners engage directly with technical agencies, and in doing so, bypass the government appraisal process and dialogue mechanisms.</li> </ul>	<ul style="list-style-type: none"> <li>Capacity within the CCDA and other institutions involved in implementing the CCDRM agenda is lacking, limiting the ability to implement NCCDM.</li> <li>Understanding of the procedures for accessing global climate funds such as the GCF is limited in key central agencies and other line technical agencies.</li> <li>Subnational actors lack capacity to implement policies, programmes and projects to address CCDRM needs.</li> <li>A number of the academics and researchers working with different institutes and universities possess a wealth of technical expertise to help the government access international climate finance and appraise projects. However, this locally available expertise is not fully utilised by the Government at present.</li> <li>Understanding of the procedures for accessing global climate funds such as the GCF is limited in key central agencies and other line technical agencies.</li> </ul>	<ul style="list-style-type: none"> <li>Dialogue between Government and development partners has been inconsistent partly due to limited staffing and capacity in the Foreign Aid Division to take a more active leadership role.</li> <li>The Government is nearing completion of an Aid Policy Review.</li> </ul>	<ul style="list-style-type: none"> <li>NCCDM policy principles include commitment to fair and equal participation to represent views of men, women, youth, vulnerable and minority groups and respect rights of resource owners and increase community participation in all activities.</li> <li>There is a lack of capacity of relevant Government entities, such as CCDA, and line ministries to undertake necessary GSI analysis, especially in a CCDRM context.</li> <li>Gender and age disaggregated data to assist in undertaking meaningful analysis of GSI issues.</li> <li>Capacity of relevant agencies to work with ministries to mainstream GSI into MTDP2, sectoral and CCDRM plans.</li> </ul>	



## Climate Change and Disaster Risk Financing Matrix – Samoa

Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing							
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness	Gender and Social Inclusion
<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>GEF/ICDF, ADB, Australia (DFAT), EU, Japan, World Bank, NZAID</li> <li>Dedicated climate projects from bilateral donors are providing about WST 8m per year (CPEIR).</li> <li>Adaptation has accounted for between 60% and 80% of total climate expenditure (CPEIR).</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>WB/ICF/SCF – PPCR: USD 14.6m.</li> <li>GEF/LDCF/UNDP – USD 102.3m</li> <li>Economy-wide integration of CCA and DRM/DRR to reduce climate vulnerability of communities in Samoa</li> <li>AF/UNDP – USD 8.7m</li> <li>Enhancing Resilience of Coastal Communities</li> <li>WB – Samoa PREP – USD 13.79m from IDA</li> <li>GCF/UNDP/GoS Climate Resilient Integrated Water Resource and Coastal Management – USD 65.7m total (USD 57.7m from Green Climate Fund, USD 8m from Government of Samoa).</li> </ul>	<ul style="list-style-type: none"> <li>Samoa has a well-developed set of policies and is engaged in further improvement. The Strategy for the Development of Samoa 2016/17–2019/20 (SDS) provides an overview of the government priorities. CCDRM integrated under Environment in the SDS.</li> <li>National Climate Policy (NCP) provides a comprehensive list of actions that need to be taken to respond to climate change.</li> <li>Samoa's first ever dedicated National Energy Policy was approved by Cabinet in June 2007 and was followed by a Strategic Action Plan in 2008.</li> <li>The government has been preparing a range of sector plans and corporate plans that guide the activities of ministries and other government agencies.</li> <li>New strategies for climate change, disaster risk management and sectoral policies should address the need to ensure that a larger share of total resources is devoted to implementing policy in future.</li> <li>Support for policy refinement should be complemented with funding for implementation.</li> <li>Integrate CC into sectoral policies and plans, and corporate plans.</li> </ul>	<ul style="list-style-type: none"> <li>The current institutional arrangements for policy formulation and implementation do not need to be changed. However, the institutions do need to be made more effective.</li> <li>NCCCT needs a clear annual function in the planning cycle and a properly resourced secretariat provided jointly by the CCU and Climate Resilience Investment Coordination Unit (CRICU).</li> <li>The role of the NCCCT needs to be strengthened by legislation and/or regulations that define its composition and mandate.</li> <li>The CC agenda could be promoted by the preparation of a simple CC Annual Monitoring Report (CCAMR), approved by NCCCT; the CCAMR should be produced jointly by the Ministry of Finance (MOF) and Ministry of Natural Resources and Environment (MNRE).</li> <li>Cooperation between NCCCT, DMO and NEC needs to extend to operational coordination.</li> <li>Increased cooperation between MNRE and MOF.</li> <li>MOF designated as NDA.</li> <li>While Samoa has an adequate institutional set-up for managing climate adaptation and mitigation, capacity weaknesses exist at several key points, notably in CCU in MNRE.</li> <li>CSOs/NGOs are important, especially at the village level.</li> <li>MOF to work towards achievement of NIE status.</li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>In the CPEIR Samoa appears to have a relatively high level of climate expenditure with over 70% devoted to adaptation.</li> <li>15% of public expenditure in Samoa is directly concerned with CCA and CCM.</li> <li>In 2010/11, the total climate relevant spending was about 4.2% of the total.</li> <li>2011/12 climate relevance spending was 37% of total spending.</li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>The budget system works well and Samoa receives relatively high scores for the key budget processes. However, there are some areas of weakness, including the use of multi-year perspectives; budget reporting; and legislative scrutiny.</li> <li>Figures on actual expenditure are not readily available.</li> <li>Project preparation and approval works well.</li> <li>Capacity to manage increased climate funding limited.</li> <li>Lack of multi-year perspectives; weakness of budget reporting; and legislative scrutiny of audit.</li> <li>Public Finance Management Reform Plan - Rollout of PFM Reforms Phase III.</li> <li>Strengthen systems for M&amp;E.</li> </ul>	<ul style="list-style-type: none"> <li>Capacity weaknesses exist at several key points, notably in CCU in MNRE.</li> <li>Strengthen disaster preparedness and response capacity.</li> <li>An immediate challenge for Samoa is to ensure that it has the capacity to manage the current levels of climate financing and the expected increase in this funding, both for dedicated climate finance and for the climate components of development finance; this will require some capacity building, notably in CRICU and CCU.</li> <li>Develop capacity to manage the current levels of climate financing and the expected increase in this funding.</li> </ul>	<ul style="list-style-type: none"> <li>Managing for results (Monitoring &amp; Evaluation) and mutual accountability still need strengthening.</li> <li>Ongoing PFM reforms.</li> <li>Implement SDS.</li> <li>Develop financing modalities for donor support for CCA and DRM including trust funds.</li> <li>Budget support as a modality for delivering CCDRM-related ODA.</li> <li>Improve monitoring of climate change through centralised collection of data.</li> </ul>	<ul style="list-style-type: none"> <li>Political will for GSI mainstreaming in Samoa is relatively high and government has been responsive to international guidance and has undertaken legislative and policy reform.</li> <li>Rhetoric has yet to be demonstrated as true commitment through investment in gender mainstreaming and professional development of government staff.</li> <li>Need to improve the evidence base, ensure that data collection is more comprehensive and that all government data related to people are disaggregated by sex.</li> <li>Levels of technical capacity for gender analysis, gender responsive planning, data collection, research and M&amp;E in Ministry of Women, Culture and Social Development vary (SPC Gender Stocktake).</li> <li>Under the Community Sector Plan 2016–2021 through the Gender Equality Policy 2016–2020, the Ministry seeks to ensure government responses to community resilience, climate change and natural disaster preparedness takes into consideration gender equality dimensions and recognises the role of women in preservation and use of natural resources.</li> </ul>	

# Climate Change and Disaster Risk Financing Matrix - Solomon Islands



Dimensions of Climate Change and Disaster Risk Management ( CDRM) Financing						
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness
<p><b>Gender and Social Inclusion</b></p> <ul style="list-style-type: none"> <li>Technical capacity of Women's Development Division (WDD) and Gender Equality and Women's Development (GEWD) – national policy).</li> <li>The Climate Change Policy highlights the importance of gender equity and involvement of vulnerable groups – Guiding Principle 1.6: Gender equity and involvement of youth, children and people with special needs.</li> <li>Tools developed is needed to assist GSI departments to incorporate GSI considerations in policies and plans.</li> <li>GSI disaggregated data – gender, age, disability, etc.</li> <li>Mainstreaming of GSI into development planning at national sectoral and corporate planning levels.</li> <li>Strengthen capacity of GSI-relevant departments to deal with GSI issues especially in relation to CDRM.</li> <li>Improve GSI-relevant data collection through strengthening of SI National Statistics Office (SINSO).</li> </ul>	<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>Approximately SBD 862m (~USD 112m) has been accessed from 2010 to the end of 2016.</li> <li>A larger portion of CDRM finance accessed by Solomon Islands was from multilateral sources (54%) in comparison to bilateral sources (46%).</li> <li>The top beneficiary sectors of CDRM finance accessed over the past seven years include energy, transport, water, disaster risk reduction/management, agriculture and food security, and forestry.</li> <li>CDRM Projects: adaptation (56%), mitigation (33%) and DRR/DRM (11%).</li> <li>Off-budget Projects (57%) and On-budget (43%).</li> <li>Need for a Programme Management Unit to coordinate and monitor climate financing.</li> <li>Solomon Islands accessed its first finance from this fund through a World Bank supported proposal for the Iina River Hydropower Development Project (TRHDP).</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>WB/GEF/LDCF/GFDRR – USD 9.13m, CRISP</li> <li>GEF/LDCF/UNDP/Solomon Islands Government (SIG) – USD 50.5m, SIWSAP</li> <li>ADB – USD 12.0m Provincial Renewable Energy Project</li> <li>AF/UNDP USD 5.5m Enhancing resilience of communities in Solomon Islands to effects of CC in agriculture and food security.</li> </ul>	<p><b>Policies and Plans</b></p> <ul style="list-style-type: none"> <li>Medium-Term Development Plan: 2016–2020 Objective Four; resilient and environmentally sustainable development with effective disaster risk management.</li> <li>National Climate Change Policy (NCCP) 2012–2017 emphasises the need for mainstreaming of climate change through all levels of Government.</li> <li>Climate change policies not well developed at the provincial government level and in some major sectors and ministry corporate plans. Mainstreaming needed.</li> <li>Processes and systems for review of policies are not well established and policy evaluation unit within PMO needs strengthening.</li> <li>Processes for monitoring and evaluation of policy implementation needs strengthening.</li> <li>Engagement in global processes not effectively communicated and translated into national policy development.</li> <li>NCCP does not include specific outcomes, targets, costings and progress indicators, nor does it provide a process or timetable for the achievement of the strategies.</li> <li>Solomon Islands Government is working to roll out the CHICCHAP approach in all provinces.</li> </ul>	<p><b>Institutions</b></p> <ul style="list-style-type: none"> <li>A number of Solomon Islands Government line ministries are implementing CDRM-related activities. However more effective coordination needed to reduce duplication.</li> <li>While a number of CDRM policy and planning mechanisms are in place, the overarching legal framework for these issues needs strengthening.</li> <li>Strengthen institutional arrangements at all levels.</li> <li>The National Transport Fund within Ministry of Infrastructure Development is best placed to be a potential candidate for NIE to the GCF, but the focus will be specific for transport.</li> <li>Climate Change Committees have been established in all nine provinces.</li> <li>Strengthen coordination mechanisms and review of roles and responsibilities of the main stakeholders.</li> <li>Review/clarify roles and responsibilities and linkages between institutions responsible for CDRM.</li> <li>Establish national round tables as an opportunity for dialogue and engagement with a broad range of stakeholders.</li> <li>Institutionalise an iterative M&amp;E process.</li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>Development expenditures show significant commitment of SIG to achieving its CDRM objectives through its development spending.</li> <li>Estimated 5.4% of the government's recurrent budget from 2010–2016 was related to meeting CDRM objectives.</li> <li>Under one-fifth (18.8%) of development expenditure in the budget is related to CDRM, with the nominal amount having grown significantly in the three years under analysis from SBD 287m to SBD 428m.</li> <li>Limited understanding of the importance of tracking climate change finance within government budget.</li> <li>Weakness in the system for tracking climate change in public expenditure.</li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>Credibility of the budget had improved somewhat at an aggregate level with expenditure out-turn aligning more closely with published budget estimates (2012 PEFA)</li> <li>An estimated 5.4% of the government's recurrent budget was related to meeting CDRM objectives.</li> <li>Budget documentation has expanded in recent years to include more detailed Budget Strategy and Outlook document.</li> <li>Overall, the predictability and control of the implementation of the budget still lags.</li> <li>Government has established an implementation unit within the Ministry of Finance &amp; Treasury (MoFT).</li> </ul>	<p><b>Human Capacity</b></p> <ul style="list-style-type: none"> <li>CC Policy commits to develop the capacity for CDRM.</li> <li>The capacity of the Climate Change Division needs strengthening.</li> <li>Solomon Islands is sufficiently capacitated at the national level to access and manage international CDRM financing. The key challenge is coordinating and capitalising on the CDRM expertise that sits within different line agencies.</li> <li>There have been recent efforts to absorb project staff members, but this remains a challenge.</li> <li>Limited technical expertise on CDRM issues within the private sector.</li> <li>No dedicated climate change officers, except disaster officers, present at the provincial level.</li> <li>Volume of funds available for project implementation exceeds national capacity to implement.</li> <li>Seek donor support for capacity supplementation in area CDRM.</li> <li>All CDRM projects accessed must have an embedded component related to capacity development and transfer of knowledge.</li> <li>Strengthen engagement with NGOs and capitalise on their presence and experience of working with communities.</li> <li>Consider inclusion of officers from MoFT, Solomon Islands Chamber of Commerce and Industry (SICCI) and civil society in regional and international CDRM meetings (e.g. the UNFCCC COP negotiations).</li> <li>Explore a human capacity development road map for CDRM to plan for absorption of trained expertise at the end of project timelines.</li> </ul>	<p><b>Development Effectiveness</b></p> <ul style="list-style-type: none"> <li>CEWG is the primary platform for policy dialogue on financial and economic reform between donors and the SIG.</li> <li>CEWG provides a forum for coordination of budget support, performance-linked aid and related technical assistance.</li> <li>Many donor-funded and regionally implemented climate change projects are not appropriately tracked or monitored.</li> <li>Alignment and harmonisation – greater coordination between different actors in climate change is needed.</li> <li>Donors present in Solomon Islands have an active donor-to-donor coordination mechanism that meets on a monthly basis. This is supported by thematic groups that meet more regularly.</li> <li>MDPAC has provided some guidelines in the Partnership for Effective Development Cooperation Framework, for missions by external parties.</li> <li>Some development assistance is still not reported to the Aid Coordination Division.</li> <li>The government sets annual targets to maintain an oversight of the commitments under the Partnership for Effective Development Cooperation.</li> <li>Develop a national tool and framework with clear indicators for evaluating impacts of climate change projects.</li> <li>Consider joint missions to reduce duplication and taking up too much time of staff members.</li> <li>Continue to advocate for donors to develop a standardised reporting template.</li> </ul>





# Climate Change and Disaster Risk Financing Matrix - Tonga

Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing							
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness	Gender and Social Inclusion
<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>World Bank/IDA, ADB/ADF/SFC, Australia, New Zealand, EU, Japan, GEF.</li> <li>Multilateral sources provided just over 50% of CCDRM funds with bilateral sources providing over 40% with a small amount coming from regional funds.</li> <li>31% of development assistance received in 2012/13 and 2013/14 is related to achieving CCDRM objectives.</li> <li>Total development assistance addressing CCDRM objectives in 2013/14 was approximately TOP 37m (USD 18.5m).</li> <li>A key climate financing option being implemented is the Tonga Climate Change Trust Fund (CCCF).</li> </ul> <p><b>Major Projects</b></p> <ul style="list-style-type: none"> <li>WB/SCEF/GFDRR/GEF – USD 16.8m Tonga Pacific Resilience Program (PREP)</li> <li>ADB/CIF/SCF – USD 23.1m Climate Resilience Sector Project (CRSP)</li> <li>Australia/ADB – USD 6.8m Outer Island Renewable Energy Project</li> <li>GEF/JUNEP/UNEP/ADB/WB – USD 7.7m, Ridge-to-Reef (R2R) Integrated Land and Agro-ecosystem Management Systems.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of Tonga Climate Change Policy 2016 – A Resilient Tonga by 2035.</li> <li>Tonga Strategic Development Framework (TSDF II) raises priority of CCDRM as national policy issue.</li> <li>TSDF II approval provides an opportunity to enhance CCDRM integration into policies and sector plans with strong corporate planning process.</li> <li>Tonga has taken an extremely proactive stance to renewable energy.</li> <li>Planned revision of the National Emergency Management Plan and reforms to cluster system for emergency preparedness and response provides an opportunity for harmonisation with planned climate change policy and planning reform.</li> <li>Encouraging initiatives for mainstreaming CCDRM.</li> <li>Different CSO and NGO groups responsible for CCDRM plans at provincial, district and village levels.</li> <li>Ensure coordinated and harmonised policy reform process for the updates to the suite of CCDRM policies and plans.</li> <li>Strengthen partnerships and conduct bi-annual CCDRM initiatives at all levels.</li> <li>Extend mandates of existing district and village disaster management committees to include climate change adaptation.</li> </ul>	<ul style="list-style-type: none"> <li>CCDRM has not been integrated into policies, planning and institutional arrangements of key sectoral ministries with clear CCDRM mandate.</li> <li>Lack of a functional coordination platform for all sectors and partners working in CCDRM.</li> <li>Too many committees with overlapping roles making coordination ineffective and inefficient.</li> <li>Focal point in Ministry of Finance and National Planning (MFPN) to manage CCDRM finance issues and interaction with offices responsible for CCDRM (DoE and NEMO).</li> <li>CSO/NGO and private sector don't really engage enough on climate change activities.</li> <li>Different planning processes at different levels of government administration with limited interlinkages.</li> <li>Enhance coordination and engagement with local government, NGOs, private sector and communities to promote greater local ownership of the CCDRM agenda.</li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>The majority of assistance is being directed to addressing adaptation activities, though significant amounts are being directed to mitigation efforts.</li> <li>DRM has increased in the wake of Cyclone Ian as a result of reconstruction efforts.</li> <li>Government spending in sub-programmes, weighted for CCDRM relevance, suggests an increasing (at an incremental rate) level of spending to almost 9.0% of the total budget.</li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>Steady improvement in the quality of Tonga's PFM systems (PEFA).</li> <li>GoT's ability to achieve direct access to the AF and GCF will be reinforced by PFM reform efforts.</li> <li>PFM procedures allow for the use of budget reallocations, contingency funds and simplified procurement procedures.</li> <li>Adopt a coding system for tracking CCDRM expenditure.</li> </ul>	<ul style="list-style-type: none"> <li>Limited or no staff in ministries/agencies to effectively discharge CCDRM responsibilities.</li> <li>Technical capacity within the country currently working on different projects funded by development partners are not retained, resulting in significant staff turnover.</li> <li>No systematic training-needs assessment for CCDRM sector led by Ministry of Meteorology, Energy, Information, Disaster Management, Climate Change and Communications (MEIDCC) has been undertaken since 2004.</li> <li>Identify ways to increase staff allocation to CCDRM agencies; and improve their capacity to handle CCDRM issues.</li> <li>Retain technical project staff capacity within the country currently on CCDRM projects.</li> <li>Undertake systematic training-needs assessment for CCDRM led by MEIDCC.</li> <li>Develop plan to improve CCDRM technical capacity.</li> <li>Organise training programmes on CCDRM across all line ministries.</li> </ul>	<ul style="list-style-type: none"> <li>Government has track record of taking control of the CCDRM development agenda demonstrated by: <ul style="list-style-type: none"> <li>JNAP implementation</li> <li>Parliament Standing Committee on CCDRM,</li> <li>Ministry merging CCDRM agencies</li> <li>Integrating CCDRM into the revised National Policy on Gender and Development</li> <li>Implementing the Tonga Energy Road Map.</li> </ul> </li> <li>Strong central view of CCDRM agenda, but only weak links between key line ministries, the community and civil society.</li> <li>Budget Support Mechanism and Joint Policy Reform Matrix and Tonga Energy Road Map are examples of alignment of government and development partner priorities.</li> <li>Harmonisation is still hampered by development partner requirements leading to the use of parallel systems for project implementation.</li> <li>Tracking the impact of the development and CCDRM activities is weak.</li> <li>Update Aid Management Policy in consultation with development partners to standardise government reporting template for all activity including CCDRM activities.</li> <li>Develop a simple M&amp;E matrix and reporting framework/template for aid and CCDRM activities.</li> <li>Consider establishing an appropriate coordination mechanism.</li> </ul>	<ul style="list-style-type: none"> <li>Strong traditions of consultative and community-driven decision making, and conducive environment for strengthening practice on gender and social inclusion; however, gender mainstreaming in corporate plans is low.</li> <li>Not in a strong position to respond to gender and social inclusion requirements of the main climate funds.</li> <li>Civil Society Organisations (CSOs), nongovernmental organisations (NGOs) and line ministries, do not coordinate activities, share data or cooperate on allocating priority tasks on GSI mainstreaming and CCDRM.</li> <li>Data are collected by government agencies and NGOs on CCDRM. However, there is no system to ensure that data are analysed and used to understand broader trends.</li> <li>Include MIA, (Divisions of Disability, Women's Affairs, Youth Affairs and Local Government), in the revised JNAP structure.</li> <li>JNAP NGO platform should link with existing systems for coordinating GSI mainstreaming in Tonga.</li> </ul>	



# Climate Change and Disaster Risk Financing Matrix - Tuvalu

Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing						
Observation	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness
<p><b>Gender and Social Inclusion</b></p> <ul style="list-style-type: none"> <li>Technical capacity for gender mainstreaming across government is limited.</li> <li>Lack of sex-disaggregated data across all sectors that would contribute to the identification of gender gaps and support the development of policies and the improvement of service delivery by the government.</li> <li>GSI considerations are not effectively mainstreamed into national policies but this will be important for Te Kakeega III (NSDS).</li> <li>Te Kaniva – Climate Policy and NSAP acknowledge importance of the most vulnerable in the community; however, limited expertise for practical implementation on the ground.</li> <li>GSI mainstreaming needed for all sectoral and government plans and the successor to Te Kakeega III.</li> <li>Prepare GSI toolkits and undertake workshops to look at how ministries and other service providers can effectively deliver CCDRM services to the most vulnerable.</li> <li>Increased participation of women in business.</li> <li>Monitor the implementation of commitments to gender equality and women's empowerment in the National Strategic Action Plan for Climate Change and Disaster Risk Management.</li> <li>Need for further analysis on the data collected and their use to further inform climate change adaptation projects.</li> </ul>	<p><b>Main Funding Sources</b></p> <ul style="list-style-type: none"> <li>Australia (DFAT), NZAID, ROC/Taiwan, EU (Projects), GEF-UNDP</li> <li>There is a lack of absorptive capacity within DoE and MFED to access and utilise funds.</li> <li>Government policy is to work towards NIE status to coordinate and access funding for adaptation and disaster risk management.</li> <li>There is a rigidity of funding accessibility conditions for CC finance.</li> <li>Undertake a Climate Finance Assessment - PCFAF/CPER in 2016 including assessment of ability to achieve NIE status.</li> <li>Capitalisation and operationalisation of the Tuvalu Survival Fund (TSF).</li> </ul> <p><b>Examples of Major Projects</b></p> <ul style="list-style-type: none"> <li>GEF/LDCF/UNDP - US\$6.5m Increasing Resilience of Coastal Areas and Community Settlements to Climate Change</li> <li>EU GCCAP/PSIS - Euro0.5m Improving Agro-forestry Systems to Enhance Food Security and Build Resilience to Climate Change in Tuvalu</li> <li>GCF/UNDP - Tuvalu Coastal Adaptation Project: US\$38.9m</li> </ul>	<ul style="list-style-type: none"> <li>The overriding planning document is Te Kakeega III – National Strategy for Sustainable Development 2016-2020 – with high visibility of CCDRM.</li> <li>Despite the existence of the Te Kaniva – National Climate Change Policy and the National Strategic Action Plan for CCDRM 2012–201, CC priorities are not clearly reflected in other sectoral plans.</li> <li>Communications with island communities on CCDRM very limited due to communication and transport constraints. This leads to need for more awareness workshops for all relevant stakeholders.</li> <li>ISP (Island Strategic Plans) need to reflect CCDRM issues and Falekaupule Act.</li> <li>Mainstream CCDRM considerations into ministry and sectoral plans.</li> <li>Mainstreaming of CCDRM into Island Development Plans.</li> </ul>	<ul style="list-style-type: none"> <li>National Climate Change Advisory Committee (NICAC) and the NDC merged under NSAP Coordinating Committee but there is weak coordination between agencies involved in CCDRM.</li> <li>Capacity of the DoE limits the effectiveness of coordination with chain of command not always clear.</li> <li>MFED needs to have greater involvement in CCDRM policy formulation and implementation to ensure appropriate linkages to strengthen ability to source CCDRM finance.</li> <li>Regular meetings of the NSAP Coordinating Committee to ensure overall CCDRM policy coordination.</li> <li>Strengthen coordination between Department of Environment and Planning and Budget Department (PBD) within MFED.</li> </ul>	<ul style="list-style-type: none"> <li>Recognising the need to improve its PFM System, undertook PEFA and created PFM Roadmap.</li> <li>Government chart of accounts does not capture related CC activities but also not effective in tracking development activities with limited alignment between budget and Te Kakeega III.</li> <li>Achievement of NIE status likely to be a longer-term goal though implementing PFM Roadmap will help move towards this stated goal.</li> <li>MFED, PBD and Aid Monitoring Unit (AMU) have limited capacity to handle and account for large amounts of CCDRM.</li> <li>Work on improving procurement systems yielding limited results due to capacity constraints.</li> <li>Tuvalu Trust Fund (TTF) and Falekaupule (Outer Islands) Trust Fund (FTF) this modality to deliver CCDRM finance through the new TSF.</li> <li>Capitalisation and operationalisation of the TSF.</li> <li>Further implementation of the PFM Roadmap.</li> <li>MAPS Assessment.</li> <li>Develop coding systems to track CCDRM expenditure and also implementation of Te Kakeega III.</li> <li>Assessment of trust fund modality to deliver CCDRM finance given experience with TTF and FTF – to be included in CPEIR/PCFAF Assessment.</li> <li>Investigate budget support Policy Reform Matrix (PRM) as possible modality for CCDRM finance.</li> </ul>	<ul style="list-style-type: none"> <li>The capacity of the DoE is limited in respect of the number, turnover and capacity of staff, thereby limiting ability to implement the Government's CCDRM agenda and access finance.</li> <li>CCDRM knowledge is concentrated in a limited number of staff with adequate technical skills.</li> <li>Similarly the knowledge and understanding of CCDRM issues in central and line ministries such as MFED is extremely limited.</li> <li>There is a lack of capacity-building programmes to develop these skills and to provide the advocacy on CCDRM issues to the community.</li> <li>Build capacity within DoE and MFED to access and utilise funds.</li> <li>Implement programmes to increase advocacy for, and understanding of, CCDRM issues through community consultations, outreach programmes and inclusion in the education curriculum.</li> </ul>	<ul style="list-style-type: none"> <li>Limited development effectiveness since Tuvalu experiences many visitors including donor and consultant demands that place heavy burden on limited public sector capacity especially given Tuvalu's high profile with respect to CCDRM issues.</li> <li>Complexity of development partner donors' project templates contributes to administrative burden.</li> <li>Donor meetings infrequent, though there was a donor High Level Dialogue on TC Pam reconstruction.</li> <li>Tuvalu's overseas missions very active in promoting CCDRM issues in regional and international forums.</li> <li>Lack of solid user-friendly database of projects limits ability to track ODA impacts and implement effective M&amp;E for Te Kakeega.</li> <li>Budget Support PRM possible modality for CCDRM finance.</li> <li>Invest in new user-friendly Aid Database.</li> <li>Implement Aid Policy, including putting in place stricter policy on donor and consultant visits to reduce administrative burden.</li> </ul>

# Climate Change and Disaster Risk Financing Matrix – Vanuatu



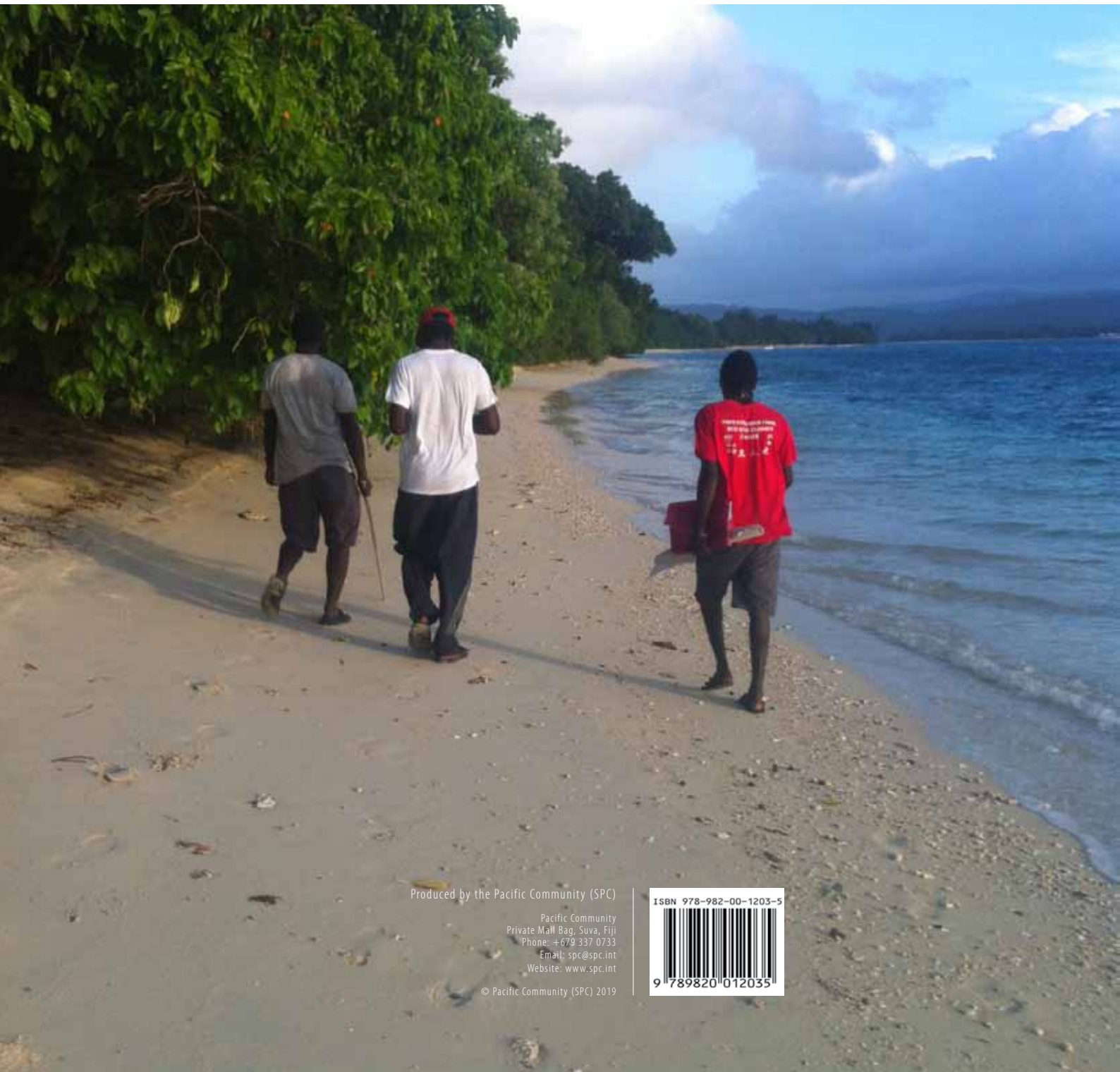
Dimensions of Climate Change and Disaster Risk Management (CCDRM) Financing						
	Funding Sources	Policies and Plans	Institutions	Public Financial Management (PFM) and Expenditure	Human Capacity	Development Effectiveness
<b>Observation</b> <ul style="list-style-type: none"> <li><b>Main Funding Sources</b> <ul style="list-style-type: none"> <li>Australia (DFAT), New Zealand, Japan, UNDP, SPC, World Bank, GEF.</li> <li>63% of climate change finance from multilateral sources, while 37% from bilateral channels (2013–mid-2017).</li> <li>Over the past 3–5 years, approximately VUV 21.4b (~USD 200m) was approved for CC-related activities in Vanuatu from a wide range of sources.</li> <li>89% of funds accessed were for climate change adaptation, 9% for mitigation and 2% for others.</li> <li>Infrastructure-related response to TC Pam and climate proofing of major roads and wharves account for 56% of the funds accessed.</li> <li>Environment 27%, and energy (8%) as next top two beneficiary sectors.</li> <li>The most logical candidate for NIE is the (newly-established) Ministry of Climate Change (CPEB).</li> </ul> </li> <li><b>Major CCDRM Projects</b> <ul style="list-style-type: none"> <li>CF/WB/A0B – USD 14.0m SREP</li> <li>GEF/WB – USD 3.2m</li> <li>Increasing resilience to climate change and natural hazards in Vanuatu</li> <li>GEF-5 Focal Area/ LDCF/ SCF/FAO – USD 18.7m</li> <li>Ridge to Reef: Integrated Sustainable Land and Coastal Management.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Environment pillar of NSDP 2016 to 2030: a specific policy goal has been included for climate change and disaster resilience.</li> <li>Vanuatu has a National Energy Roadmap 2016–2030 supporting climate change mitigation.</li> <li>NDC Roadmap 2019.</li> <li>Implementation and Monitoring Framework for the NSDP 2016–2030 was recently launched.</li> <li>Climate Finance Roadmap 2016–2020</li> <li>Ministry of Climate Change responsible for driving the climate change policy agenda across Government.</li> <li>Ministry does not have a long-term corporate plan to guide implementation.</li> <li>Vanuatu Climate Change and Disaster Risk Reduction (CCDRR) Policy officially launched in 2016.</li> <li>CCDRR policy highlights a number of sectoral policies where mainstreaming of CCDRR has been successful.</li> <li>Lack of an M&amp;E framework for CCDRR policy.</li> </ul>	<ul style="list-style-type: none"> <li>Creation of Ministry for Climate Change Adaptation, Meteorology, Geo-Hazards, Environment, Energy and Disaster Management to consolidate CCDRM.</li> <li>Ministry does not yet have an approved long-term corporate plan.</li> <li>Communication disconnect between key sectors/agencies.</li> <li>Lack of leadership and ownership of climate change programmes – project dependent.</li> <li>Project Management Unit of the National Advisory Board on Climate Change and Disaster Risk Reduction (NAB) facilitates process for CC-related policy development.</li> <li>Ministry of Climate Change to develop a strategic plan to guide the business plans for its departments and units.</li> <li>Review of the National Advisory Board (NAB) on Climate Change and Disaster Risk Reduction Project Management Unit including its function, practicality and sustainability.</li> </ul>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>3.5% of GDP climate-related in 2008–2012.</li> <li>Average VUV 1.8b per year (USD 16.4m) in recurrent budget for CCDRR between 2008 and 2012.</li> <li>CCDRR activities accounted for 2.9% of Vanuatu's GDP and 13% of budget expenditure in 2012.</li> <li>Development fund – VUV 200m (US\$1.8m) in weighted CCDRR expenditure in 2012.</li> <li>Despite prioritising climate change in policy statements and political interventions, the average government expenditure on CC-related expenditure for 2012–2016 was only 7.6%.</li> </ul> <p><b>Public Financial Management</b></p> <ul style="list-style-type: none"> <li>PFM System is well regarded around the region, having displayed a willingness to pursue and implement significant reforms in recent years.</li> <li>Vanuatu continues to perform well in managing its overall budget despite the pressures TC Pam has recently imposed.</li> <li>Budget has reasonable credibility, which reflects positively on MFEM capacity.</li> </ul>	<ul style="list-style-type: none"> <li>Right set of expertise and adequate human capacity to understand and engage in climate change financing, compared to other PICs. The key challenge is how to fully maximise and coordinate the range of technical expertise that sits in different line ministries.</li> <li>One of few PICs to have a specific working group on climate finance.</li> <li>Provincial administrations in Vanuatu face limited technical capacity in grant writing for climate change funding.</li> <li>Vanuatu Institute of Technology is partnering with GIZ to offer a Certificate in Climate Change course.</li> <li>Lack of training and technical expertise to plan, coordinate and implement climate change/DRR and financing to suit regional and international obligations.</li> <li>Lack of capacity assessment. Capacity assessment required for NIE accreditation.</li> <li>Lack of project implementation due to lack of human capacity.</li> <li>Donors encouraged to include climate change and disaster resilience as part of their scholarship priorities.</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrated leadership and ownership in the development of its core national climate change and resilient development policies and plans.</li> <li>While donors and development partners expect government to coordinate, there is currently no formal donor-to-donor coordination mechanism.</li> <li>Little evidence to determine the collective impact or effectiveness of climate change financing.</li> <li>Need to enhance the M&amp;E capacity of the Department of Strategic Policy, Planning and Aid Coordination (DSPPPAC) and line ministries to be able to measure, process and report on the tangible impacts and outcomes of all CCDRM support.</li> <li>Need for M&amp;E framework including indicators that are aligned with and feed into the National Development Plans and expenditure frameworks.</li> <li>GoV has currently engaged TA to support improved whole of government M&amp;E and expenditure frameworks, including all ministries, sector plans and expenditure reporting.</li> <li>Classify projects with CC/DRR objectives and publish details.</li> <li>Seek assistance to design, resource and implement the required actions for NIE status.</li> <li>Develop M&amp;E framework and expenditure templates to track progress.</li> <li>Avoid duplication and improve M&amp;E and reporting.</li> <li>All donor finance to be channelled through the Government financial system.</li> </ul>	<p><b>Gender and Social Inclusion</b></p> <ul style="list-style-type: none"> <li>Both the NSDP and the CCDRR Policy have taken very progressive steps to ensure gender and social inclusion are integrated as a key principle of the respective plans or policy. However, resource allocation to support implementation has been a challenge.</li> <li>Vanuatu's Council of Ministers agreed to Decision 94 of 2017: Support to Gender Responsive Planning and Budgeting (GRB) process for 2018. The decision also agreed to mandate all other ministries to follow suit in GRB for 2019.</li> <li>New NAPA will need to take account of GSI in adaptation options.</li> <li>There has been notable progress with an increase of women in senior management in the public sector of 3.4% in 2016 compared to 0.3% in 2010.</li> <li>The 2016 Vanuatu Climate Change and Disaster Risk Policy has also taken very progressive steps to ensure gender and social inclusion is not only included as a key principle of the policy, but is also reflected in identified actions.</li> <li>Continue strengthening partnerships between key government agencies and nongovernmental stakeholders to re-enforce commitments to the implementation of national plans and policies to support GSI in CCDRR and to ensure clear accountability.</li> <li>Support the development of specific indicators to align the GSI action plans for CCDRR and the Gender Policy Action Plan to be included in the M&amp;E framework for the NSDP.</li> <li>Strengthen coordination on Gender Mainstreaming between government agencies such as DWA, DSPPPAC of PMO, department of Climate Change and NAB with the consortium of partners.</li> <li>Establish a systemic process to collect, evaluate and report on GSI benefits/impacts recorded through project implementation.</li> </ul>











Produced by the Pacific Community (SPC)

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ISBN 978-982-00-1203-5



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