# European Commission Roundtable: "Engaging with Asia-Pacific on climate change"

Brussels, 4 June 2012

A Pacific island's perspective with a Samoan bias.

#### The most vulnerable of the vulnerable.

#### The Pacific island countries:

#### **❖** Island paradox

 High level of vulnerability of their natural, economic & social systems to external shocks, both natural and man-made.

#### Their specific features:

- Isolation from major markets;
- Enormous distances between and within some countries;
- Small population sizes and economies of scale;
- High frequency of natural disasters;
- Narrow resource base;
- Fragile freshwater supplies;
- Costly infrastructure;
- Extreme vulnerability to climate change and sea level rise.

### Pacific islands challenges and vulnerabilities

- Impacts of climate change;
- Need for clear articulation of priority needs;
- Capacity constraints to effectively access climate resources due to;
  - Complex global structures not designed for small island countries;
  - Mainstreaming climate change into national plans and budgets;
  - Small bureaucracies;
  - Donor harmonization's and aid effectiveness.
- Limited absorptive capacity to implement major projects.

### Underpinnings of European Union engagement with the Pacific Region

- Climate Change as a cross sectoral issue;
- 3 Yearly EU/PIF Ministerial meeting;
- Global Climate Change Alliance [GCCA]
- Declaration by EU and Pacific Islands Forum States on Climate change, 7 November 2008
- MOU between the Pacific Islands Forum Secretariat and European Commission of 15 December 2010.

### Areas of EU/Pacific cooperation to date

- Pursuit of more ambitious commitments to deeper emission reductions targets within the UNFCCC process;
- Provision of enabling environment to foster technology transfer with transformational impacts;
- Building resilience of Pacific islands;
- Empowerment through capacity building and up-skilling;
- Strengthening national systems to receive climate finance.

### Possible modalities for Pacific Region to access climate change resources

- Direct Budgetary support;
- ❖ National Trust Fund;
- Regional or Sub-regional Climate Fund;
- PICs to have a floor of (minimum) allocation in any funding mechanisms;
- Simplified approval process commensurate with size and cost of projects;
- Direct access to climate finances through National, Regional or Multilateral Implementing Entities.

### Some "Takeaways" & "Unsolicited advice"

- The "one-size-fits-all approach" has limitations;
  - Customized modalities of access and delivery are needed commensurate with islands small sizes and capacity constraints;
- Technology transfer can turn a challenge into an opportunity;
  - Tech development for mitigation and adaptation should be on equal footing and be part of future EU/PICs initiatives;
  - Technology should be appropriate, affordable, proven and tested and easily disposable if found unsuitable to PICs situations;
- Genuine partnerships are a must Need to measure success.
  - Monitoring and evaluation partnerships to ensure goals & objectives are met;
  - Capacity of PICs in relevant technical areas is strengthened and bipartisan approach an important start to a long-term relationship.

## "Challenges for the Vulnerable" Success is possible in the Pacific region as demonstrated by SAMOA

- Country-level activities
  - Key lessons:
    - Greater ownership of development process by partner countries;
    - Better co-ordination among donors;
    - Alignment of external flows to domestic policies and systems.

### We all learn from borrowed knowledge Some good practices for the taking

- Some good practices that can be replicated/adapted in the Pacific Region
  - Sectoral budget support by the EU is used to integrate climate change adaptation into water sanitation sector policies;
  - Horizontal climate fund to blend domestic and external sources of finance and disburse them in a cross-sectoral manner;
  - Targeted investment through climate change resilience grant financing;
  - Use of Multilateral implementing entity, e.g. UNDP in Samoa's case while awaiting certification of our Finance Ministry as our designated National Implementing Entity.

# Success requires extra effort & work Key activities undertaken to effectively manage climate change finance

- Establishing institutional mechanism to manage climate finance
  - Climate Resilience Coordination Unit established in 2011 within Samoa's Ministry of Finance;
    - Role of the CRC Unit's include;
      - Integrating climate change into national planning;
      - Establishing clear co-ordination mechanism;
      - Promoting national pooled funding for climate change activities.

### Transparency and accountability are both sides of the same coin

- Samoa's development partners are supporting this initiative to develop a capacity development plan to effectively track and control climate finance;
  - Capabilities would include:-
    - Capacity to track external climate finance flows;
    - Capacity to identify climate-relevant components of domestic budgets e.g. Climate Public Expenditure and Institutional Review (CPEIR).

### Thank you!