

Australian Council For International Development

Tackling climate change and promoting sustainable development

An action plan for Australia's international engagement

July 2015

About ACFID

The Australian Council for International Development (ACFID) is the peak body for Australian non-government organisations involved in international development and humanitarian action. ACFID's vision is a world where all people are free from extreme poverty, injustice and inequality; where the earth's finite resources are managed sustainably; and where Australia is a compassionate nation acting for a just and sustainable world. ACFID is acutely aware that action on climate change is essential to achieving this vision.

Founded in 1965, ACFID has over 130 members, working in 125 developing countries and supported by over 2 million Australians. Our members include large Australian organisations that are part of global federations and alliances, national NGOs, secular and faith based agencies and small NGOs with specific geographic or thematic mandates. ACFID has a Climate Change Working Group that brings together around 15 of its member agencies working on climate change and sustainable development. A full list of ACFID members can be found at Annex A.

Australian NGOs—responding to the challenges of climate change and sustainable development

Australian NGOs are simultaneously responding to the challenges of climate change and promoting sustainable development through innovative programs, advocacy and awareness-raising.

Climate change adaption: Australian NGOs work throughout the Pacific, Asia and Africa, improving the ability of poor communities to adapt to climate change impacts. This includes water resource management and working with drought-resistant crop seeds to make communities more resilient.

Disaster risk reduction: Australian NGOs support communities to deal with extreme weather events through educating communities about hazards, supporting the development of early warning systems, building on traditional coping strategies, and enhancing the skills of local people and organisations to respond to a disaster.

Supporting the poorest and marginalised groups: Australian NGOs focus on creating opportunities for, and responding to the needs of, marginalised groups. This includes addressing the specific climate change vulnerabilities of women, children, people with disabilities and other marginalised groups, and providing opportunities for them to participate in decision-making forums.

Humanitarian assistance: Australian NGOs play a vital role in providing assistance following emergencies and supporting the rebuilding process. In the recent response to Cyclone Pam, which struck Vanuatu in March 2015, Australian NGOs raised over \$17 million from the Australian public, and continue to work in collaboration with the Vanuatu Government and local partners to support the rebuilding of communities.

Research and evaluation: Australian NGOs undertake research, evaluation and monitoring to better understand and communicate climate change impacts, vulnerabilities and opportunities for action.

Advocating for local, national and international action: Working in partnership with local actors, Australian NGOs have acquired a deep and rich understanding of how vulnerability to climate change varies on the ground and the types of strategies required to tackle it. Australian NGOs bring this evidence to bear by advocating at local, national and international levels for effective policies and agreements to mitigate and adapt to climate change.

Prepared by ACFID in consultation with the Climate Change Working Group and based on a background paper by Climate Analytics.

Contents



About ACFID02	
Executive summary04	
1.	Opportunities to act on climate change and sustainable development07
2.	Imperatives for action09
3.	Recommendations for Australia's international engagement
Annex A—List of ACFID Members26	

Executive summary

In this paper, ACFID argues that Australia must take action on climate change if we are to play a fair and effective role in reducing poverty and inequality and promoting sustainable development. Strong international action on climate change is vital to the developing countries and poor communities that are being hardest hit by the impacts of climate change. These impacts are not a far off threat—they are already being felt through sea level rises, increased intensity of tropical cyclones, decreasing crop yields and water shortages. Action on climate change is also squarely in Australia's interests, as climate change poses threats to our own quality of life as well as to the prosperity and stability of our region.

Opportunities to act on climate change and sustainable development

Left unchecked, climate change will rapidly exacerbate poverty and inequality. However, efforts to combat climate change can also reduce poverty and inequality, and herein lies an important opportunity.¹ Many climate mitigation measures will help lift people out of poverty. Renewable energy development could allow affordable energy access to the 1.2 billion people currently living without electricity; low carbon housing and urban development could open up job opportunities; climate smart agriculture could increase crop yields; reduced emissions from deforestation and degradation could increase community resilience and protects natural assets; and savings from fuel subsidies could be invested in health and education.²

2015: a critical year

More than ever before, 2015 offers important opportunities for action on climate change and sustainable development. In September 2015, global leaders will come together to agree a set of Sustainable Development Goals (SDGs) to drive policies and investments to reduce poverty and inequality and ensure development that is environmentally sustainable. In December 2015, nations will meet to agree a new international climate change agreement to reduce global emissions and ensure developing countries have the support required to achieve sustainable, low emissions development and adapt to the impacts of climate change.

¹ Johnson, V et al, 2009, Tackling climate change, reducing poverty, http://www.neweconomics.org/publications/entry/tackling-climate-change-reducing-poverty

² Jim Yong Kim, World Bank, 2013, Ending Poverty Includes Tackling Climate Change, http://www.worldbank.org/en/news/ opinion/2013/07/10/op-ed-ending-poverty-includes-tackling-climate-change



Flooding in Kiribati following a king tide. Photo: UNICEF/James Alcock

Recommendations for Australia's international engagement

Australia has an opportunity to fairly and effectively play its part in international and regional efforts to simultaneously combat climate change and promote sustainable development. To set us on this course, ACFID recommends that the Australian Government:

- 1. Sets targets to reduce Australia's national greenhouse gas emissions by at least 40% below 2000 levels by 2025 and at least 60% by 2030, and makes a clear commitment to achieving zero emissions well before mid-century—backed by a comprehensive national strategy to take this forward.
- 2. Proactively supports an ambitious and legally binding universal climate change agreement including adequate and predictable support for developing countries to implement climate compatible development and better manage escalating climate change risks.
- 3. Promotes efforts to ensure that climate change is maintained as a stand-alone Sustainable Development Goal with specific and measureable targets and indicators, and that principles of environmental sustainability are further integrated across all other goals.
- 4. Scales up Australia's contribution to climate finance to at least \$400 million per year in public finance from 2016/17, including to the Green Climate Fund and bilateral assistance. Climate finance must be new and additional to Australia's Official Development Assistance, in order to prevent the diversion of funding from other poverty alleviation programs.
- 5. Develops and implements a climate change strategy for Australia's aid program to ensure dedicated climate change programming, and that climate change is integrated across all relevant policy and program areas.
- 6. Creates a challenge fund within the InnovationXchange focused on locally relevant renewable energy solutions in Pacific Island countries.

- 7. Targets reduced emissions from deforestation and forest degradation (REDD) in developing countries by investing in a new initiative to support the development and implementation of REDD+³ activities in the region and proactively supports an agreement for international cooperation and financing of REDD+ activities, which must include appropriate safeguards to ensure land security and equitability for indigenous and forest-dependent peoples.
- 8. Supports community-based initiatives to build resilience against the impacts of climate change in the Pacific.
- 9: Creates a stream within the new Gender Equality Fund focused on supporting women to be represented in climate change decision-making processes at local, national and global levels.
- 10: Establishes a collaborative research funding stream to support research partnerships between Australian and regional research institutes and local actors on the ground, working towards finding locally relevant solutions to climate change.

^{3 &}quot;REDD+" goes beyond deforestation and forest degradation, and includes the role of conservation, sustainable management of forests and enhancement of forest carbon stocks. See: http://www.un-redd.org/aboutredd



Opportunities to act on climate change and sustainable development

Climate change poses the single greatest obstacle to reducing poverty and inequality and promoting prosperity and stability in our world today. We now have powerful evidence that our warming world could roll back decades of development gains and seriously threaten future development prospects, forcing millions more people to live in poverty.⁴

Recognising this, the international community has committed to limiting global warming below 2°C above pre-industrial levels. Currently, international efforts, including those of Australia, are falling far short of what is required to achieve this goal, let alone the 1.5°C target that many developing countries continue to advocate for⁵

Limiting warming below 2°C remains technically and economically feasible, but will require countries to rapidly reduce carbon emissions and reach zero emissions by around mid-century. In fact, ensuring a fair chance of remaining below 1.5°C also remains technically and economically feasible, though this will require stronger and deeper action. Wealthier countries such as Australia, which have contributed more to climate change through their cumulative emissions and have greater capacity to act, need to act first and fastest, with large emitters in the developing world following shortly afterwards. Many developed and developing countries are already on this path, taking national action on climate change and pushing for concerted international action.

It is crucial to recognise that even if warming is limited to well below 2°C, this will still lead to major impacts, needs and costs, especially in developing countries. Therefore, Australia and other countries must take action to both mitigate and adapt to the effects of climate change, and to support developing countries to do likewise. Urgent mitigation to limit warming well below 2°C will massively reduce costs and the loss and damage that would occur at high warming levels. In parallel, adaptation measures and provisions to address loss and damage will support vulnerable regions and communities to adapt to the already unavoidable impacts of climate change.

Australia has an imperative, responsibility and opportunity to act on climate change

Imperative: As a comparatively hot and dry country, Australia is highly exposed to the adverse impacts of climate change, including droughts, floods and bushfires. Australia is also surrounded by developing countries that will be hardest hit by the impacts of climate change while having the least resources and capability to respond. Climate change poses risks to the prosperity and stability of Australia's region.

Responsibility: Australia is currently the world's 13th largest greenhouse gas emitter—and one of the largest per capita emitters—with emissions equal to the combined emissions of 11 developing countries.⁶ Australia must play its fair part in reducing global emissions alongside its international peers.

Opportunity: While climate change is a serious challenge that Australia cannot afford to ignore, action on climate change also offers opportunities to catalyse low and zero carbon economic growth at home and in our region, and reduce poverty and inequality.

⁴ World Bank, 2014, Turn Down the Heat, http://www.worldbank.org/en/topic/climatechange/publication/turn-down-the-heat

⁵ Climate Vulnerable Forum, 30 April 2015, http://www.thecvf.org/wp-content/uploads/2015/05/covernote.pdf

⁶ Bhutan, Cambodia, Ethiopia, Fiji, Laos, Mozambique, Nepal, Papua New Guinea, the Philippines, Sri Lanka and Tanzania.

Left unchecked, climate change will rapidly exacerbate poverty and inequality. However, efforts to combat climate change can reduce poverty and inequality and herein lies an important opportunity.⁷ Many climate mitigation measures will help to lift people out of poverty. Renewable energy development could allow energy access to the 1.2 billion people currently living without electricity; low carbon housing and urban development could open up job opportunities; climate-smart agriculture could increase crop yields; reduced emissions from deforestation and degradation could increase community resilience and protects natural assets; and savings from fuel subsidies could be invested in health and education.⁸

This paper is in two parts. Firstly, it briefly sets out the impacts of climate change on development, and the imperatives for action if we are to reduce poverty and inequality and promote prosperity and stability in our region. The paper then sets out recommended actions that Australia should take through its international engagement to simultaneously tackle climate change and promote sustainable development by:

- Making a fair contribution to international action through supporting and implementing strong international agreements on climate change, sustainable development and disaster risk reduction, and boosting international climate finance contributions.
- Being an effective regional player, promoting and supporting climate-compatible development through the Australian Aid Program.

⁷ Johnson, V et al, 2009, Tackling climate change, reducing poverty, http://www.neweconomics.org/publications/entry/tackling-climate-change-reducing-poverty

⁸ Jim Yong Kim, World Bank, 2013, Ending Poverty Includes Tackling Climate Change, http://www.worldbank.org/en/news/ opinion/2013/07/10/op-ed-ending-poverty-includes-tackling-climate-change

2. Imperatives for action



While no country is immune from the impact of climate change, it is developing countries that are—and will continue to be—bearing the brunt of impacts. With most located in tropical or subtropical regions, developing countries are already subject to highly variable climates and natural disasters, are often dependent on natural resources for income and wellbeing, and lack sufficient financial, institutional and technical capacities to manage increasing climate risk. The World Bank estimates that developing countries will bear some 75–80% of the cost of damage caused by the changing climate, and the poorest people in developing countries—women, people with disabilities and indigenous peoples—are hardest hit of all.⁹

How is climate change affecting Australia's region?

Pacific Islands

- High rates of sea-level rise leading to land loss and threatening coastal settlements and livelihoods in many low-lying islands.
- Increased intensity of tropical cyclones.
- Economic downturn in key sectors, including fisheries and tourism, due to extreme weather events and ocean acidification.

Southeast Asia

- Risks of inundation and soil salinisation in critical food-producing agricultural regions.
- Poor urban communities are particularly vulnerable to food price shocks and physical risks in informal settlements, including as a result of flooding and disease outbreak.

East and Southern Africa

- Risks of harvest loss and decreasing crop productivity due to extreme weather events and changing rainfall and temperature patterns.
- Significant increases in rates of undernourishment and food insecurity.

South Asia

- Water shortages.
- Increased flood risk associated with extreme monsoonal rainfall and glacier melt.
- Increases in the region's already high rates of food insecurity.

The Pacific in particular will be hard hit by the impacts of climate change. It is already one of the most disaster prone regions in the world, and being made up of small island developing states, its populations and infrastructure are extremely vulnerable to disasters. As a result, disaster-related economic losses in Pacific island countries, as a percentage of GDP, are already higher than almost anywhere else in the world.¹⁰ Climate change will compound these losses by increasing the scale and intensity of disasters as well as causing rising sea levels, ocean acidification, infertile soils, and food and water scarcity. Recognising this, many countries in the Pacific are making determined efforts to tackle climate change. There are environmental, economic, social and security imperatives to act.

2.1 Environmental imperative

The impacts of climate change are not remote future threats: they are already occurring today. The global mean temperature has already risen by about 0.8°C compared to pre-industrial levels, and even small changes

⁹ World Bank Development Report 2010, http://siteresources.worldbank.org/INTWDR2010/Resources/5287678-1226014527953/WDR10-Full-Text.pdf

¹⁰ World Bank, Acting on Climate Change and Disaster Risk for the Pacific, 2013, http://www.worldbank.org/content/dam/Worldbank/document/EAP/Pacific%20Islands/climate-change-pacific.pdf

in temperature correspond to enormous changes in the environment. The 0.8°C increase has already had an observable effect across the globe, including through loss of sea ice and accelerated sea level rise, glacier melt and changes in water quantity and quality, changes in precipitation and temperature, decreasing crop yields, ocean acidification, the shifting migration patterns of animals and fish, and increased weather extremes such as heat waves, droughts, floods, and bushfires.

Climate change will have serious and possibly irreversible impacts on the earth's ecosystems and is projected to result in significant biodiversity loss. Adaptation measures that protect the natural environment, such as mangrove conservation and reforestation, not only have vital benefits in terms of safeguarding natural ecosystems but also protect food and livelihood sources for local communities, provide protection against coastal erosion, storm surges and other hazards, and serve a vital function as carbon sinks.

2.2 Economic imperative

We cannot be expected to make progress towards the next level of development when our survival is uncertain and our limited resources are being diverted to managing the impacts of climate change.

Arvin Boolell, Mauritius's Minister for Foreign Affairs speaking at the UN Conference on 'Small Island Developing States in Samoa' [2014]

Economic growth in developing countries is significantly undermined by climate change as critical industries such as tourism, agriculture and fisheries are affected by extreme weather events, slow-onset changes in temperature and rainfall patterns, and ocean acidification.¹¹ Industries in the Pacific are highly vulnerable: the Asian Development Bank estimates the effect of climate change on crop productivity, fisheries, tourism revenue, and human health in the Pacific could cost countries between 2.2% and 3.5% of GDP by 2050.¹²



Agricultural climate change adaption project in Mindanao, Philippines. Photo: Tessa Bunney/Oxfam

Nuccitelli, D, 27/01/2015, Climate change could impact the poor much more than previously thought, http://www.theguardian.com/ environment/climate-consensus-97-per-cent/2015/jan/26/climate-change-could-impact-poor-much-more-than-previously-thought
Asian Development Bank, 2013, The Economics of Climate Change in the Pacific, pp. xii, 79.

¹⁰ THE AUSTRALIAN COUNCIL FOR INTERNATIONAL DEVELOPMENT | Tackling climate change and promoting sustainable development



Disasters induced by climate change also impose considerable recovery and rebuilding costs on the economies of developing countries. Globally, disasters cause around \$US100 billion in economic damages each year and if nothing is done to address climate change, the UN estimates that losses from disasters will double by 2030.¹³ Of the 20 countries with the highest average annual disaster losses relative to GDP in the world, eight are in the Pacific. These economic costs are clearly illustrated in the case of Vanuatu. Following Cyclone Pam in March 2015, Vanuatu is now unlikely to achieve the economic growth of 4% that had been projected by the Asian Development Bank. Vanuatu's graduation from Least Developed Country status will likely also be postponed as a direct result of Cyclone Pam.¹⁴

2.3 The social imperative

The poorest and most marginalised groups within society including women, children, people with disabilities, indigenous peoples and ethnic minorities are the most vulnerable to the impacts of climate change. As a result, climate change will exacerbate poverty where it already exists, create new pockets of poverty and increase inequality within and across communities and generations.

How is climate change affecting poor and marginalised groups?

Women

- Women are often denied equal access to education, information, legal protection and other rights and resources, undermining their ability to cope with impacts of climate change.
- Globally, women are more likely to be dependent on natural resources, and female-headed households are more likely to be located in precarious locations.

Children

- Inadequate nutrition or disrupted education due to climatic factors can have life-long consequences for children.
- Children and infants are more physically and psychologically vulnerable than adults to some climate change impacts such as extreme heat and cold, and water-borne or tropical diseases.

People with disabilities

- People with disabilities are often already disadvantaged, lacking access to health services, housing, education and full economic participation, leaving them vulnerable to climate-related economic shocks.
- People with disabilities are particularly affected by disasters because evacuation, response and recovery efforts are not always accessible, particularly when they are excluded from planning and preparedness initiatives.

Indigenous peoples and ethnic minorities

- Indigenous peoples and ethnic minorities are particularly vulnerable due to long-standing economic, political and social marginalisation.
- Indigenous peoples may disproportionately experience health impacts, loss of livelihoods, displacement, loss of traditional knowledge and other cultural and spiritual impacts as a result of climate change.

¹³ Cousins, S & Hurney, M, 2014, ACFID Policy Paper: Humanitarian Action for Results, p. 7, http://www.acfid.asn.au/resources-publications/ files/humanitarian-action-for-results

¹⁴ Republic of Seychelles, 2015, Cyclone hit islands call for graduation out of LDC status to be postponed: request at AOSIS meeting called for by President Michel, http://www.mfa.gov.sc/static.php?content_id=18&news_id=989



Bringing the fish catch ashore in Tuvalu . Photo: Rodney Dekker/Oxfam

Climate change could stall and reverse progress in women's empowerment and gender equality. Women are disproportionately affected by climate change, given that they make up the majority of the world's poor, have unequal access to rights and resources, and are more vulnerable in their roles as food producers, providers and care givers.¹⁵ Women-headed households are more likely to be situated in insecure areas, such as floodplains, than male-headed households. Furthermore, gender inequality is exacerbated in periods of disaster and disaster response.

Climate change will also have detrimental impacts on the health and wellbeing of all people, and particularly those in vulnerable regions. Reduced catches of fish caused by the migration of marine species to cooler waters, and lower agricultural productivity caused by changing rainfall and salination, could lead to higher rates of malnutrition and associated non-communicable diseases.¹⁶ This would be devastating in the Pacific region, where non-communicable diseases already cause 70% of deaths. Climate change is also projected to pose risks to drinking water quality which could lead to increased rates of water- and vector-borne diseases, such as cholera, dengue fever and malaria.¹⁷ The quantity of water will also be an issue: by 2050, many small islands in the Pacific will not have enough water to meet communities' needs during low-rainfall periods.¹⁸

¹⁵ Australian Red Cross, 2014, *Gender and Climate Change—Guidance Note*, www.redcross.org.au/files/2014_Gender_and_Climate_Change.pdf

¹⁶ Bryfield, S & Moodie, R, 2013, Addressing the world's biggest killers: Non-communicable diseases and the international development agenda, ACFID Research in Development Series Report No. 7, http://www.acfid.asn.au/resources-publications/files/ncd-paper

¹⁷ Smith, KR et al, 2014, 'Human health: impacts, adaptation and co-benefits', in *Climate change 2014: Impacts, adaptation and vulnerability,* contribution of Working Group II to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, http://www.ipcc.ch/ pdf/assessment-report/ar5/wg2/WGIIAR5-Chap11_FINAL.pdf

¹⁸ Centre for Research on the Epidemiology of Disasters, 2009, EM-DAT (Emergency Events Database) Global natural disaster occurrence and impact.



2.4 The security imperative

Climate change poses a number of security threats including ill-health, food and water shortages; and increased conflict, displacement and migration. Human security is a critical foundation for development; however, climate change can threaten this by causing disruptions in agricultural production, leading to food and water shortages, price instability and destroyed livelihoods.¹⁹ This can also exacerbate migration to economic centres as a result of limited opportunities in rural areas, placing stress on urban settlements.

Additionally, climate change can indirectly increase the risk of violent conflicts in the form of civil war or inter-group violence by amplifying existing drivers of conflict such as poverty and economic shocks.²⁰ Unequal access to food, water and fuel can exacerbate tensions between groups, and degradation of natural resources and ecosystems can entrench existing inequalities and vulnerabilities.²¹

The impacts of climate change will lead to increasing displacement and migration. Estimates for the number of potential 'climate refugees' worldwide range from 75 million to 600 million by 2050.²² Many of Australia's neighbours in the Pacific are particularly vulnerable, with regional rates of sea level rise in the west Pacific up to four times higher than the global average. ²³

¹⁹ IPCC, 2014, *Climate Change 2014: Impacts, Adaptation, and Vulnerability,* Chapter 12: 'Human Security' p. 758.

²⁰ http://www.ipcc-wg2.gov/AR5/images/uploads/WG2AR5_SPM_FINAL.pdf

²¹ Environmental Justice Network, 2014, *The Gathering Storm: Climate Change, Security and Conflict;* IPCC, *Climate Change 2014: Impacts, Adaptation, and Vulnerability,* Chapter 12: 'Human Security', p. 758.

²² Nurse et al., 2014, Small Island, IPCC.

²³ Goldberg, J 21/11/2013, Drowning Kiribati, http://www.bloomberg.com/bw/articles/2013-11-21/kiribati-climate-change-destroys-pacific-island-nation

3. Recommendations for Australia's international engagement

3.1 Making a fair contribution to international action

2015 is crunch time for tackling climate change and promoting sustainable development. Global leaders will come together in September 2015 to agree to international goals and targets for sustainable development (the Sustainable Development Goals) and then again in December to forge a new international agreement under the UN Framework Convention on Climate Change to limit global warning below 2°C.

These intergovernmental negotiations provide the international community with a unique opportunity to enhance coherence across policies, institutions, goals and measurement systems, while respecting national mandates. Australia must play a proactive and fair role in these processes, pushing for strong and effective outcomes.

International climate change agreement

The next international climate change agreement, to be agreed in Paris in December under the United Nations Framework Convention on Climate Change (UNFCCC), will be the world's first universal framework. It has at its ultimate goal limiting global warming to less than 2°C above pre-industrial levels and to facilitate investment, technology and capability building towards a zero carbon global economy.

Australia is expected to announce its post-2020 emissions reductions targets and contribution to the new international climate change agreement in August 2015. As a country highly exposed to the impacts of climate change, and surrounded by vulnerable developing countries, it is in Australia's interests to set targets for deep emissions reductions, playing a fair and cooperative role with international peers. In addition to setting strong targets for the post-2020 period, Australia must also work to increase the scope and ambition of its pre-2020 actions. Australia's Pacific Island neighbours have been calling on Australia to set fair and effective targets and policies for national emissions reductions, in recognition of our role and responsibility in the region.

Recommendation 1:

That the Australian Government sets targets to reduce Australia's national greenhouse gas emissions by at least 40% below 2000 levels by 2025 and at least 60% by 2030, and makes a clear commitment to achieving zero emissions well before mid-century—backed by a comprehensive national strategy to take this forward.

The new international climate change agreement is an opportunity to ensure effective assistance to developing countries, which are most vulnerable to the impacts of climate change and least resourced to respond. The negotiations on the draft text cover a range of important issues for developing countries that go beyond the adequacy and ambition of mitigation commitments. These include explicit recognition of the special needs and circumstances of Small Island Developing States and Least Developed Countries and their urgent and immediate adaptation needs, provisions for adequate and accessible climate finance, and the establishment of an international mechanism for 'loss and damage' distinct from adaptation.²⁴

²⁴ Loss and damage is about countries most vulnerable to the impacts of climate change having an avenue for ensuring that countries most responsible for greenhouse gas emissions address the loss and damage that they will suffer from human-induced climate change.



Australia must work to ensure that the new international climate change agreement includes a mechanism for providing predictable support to poorer countries to help them undertake climate compatible development and better manage escalating climate change risks. Australia must also work to ensure that this new agreement includes credible rules and processes to ensure that actions are visible, transparent and hold countries to account internationally, as well as at home. All mitigation actions agreed to under this agreement should ensure a gender-responsive approach.²⁵

Vanuatu's delegation to UNFCCC negotiations

Yumi stap redi klaemet jenis (the Vanuatu NGO Climate Change Adaptation Program) has involved several agencies* working together across Vanuatu with local partners to help build community resilience to climate change. One of the successes of the program has been the strengthened participation of communities and civil society organisations in national and international decision-making, including enhancing Vanuatu's engagement with international climate negotiations. This was highlighted in Vanuatu's preparations for, and delegation to, the Warsaw climate talks in 2013, which ensured that the voices of Vanuatu's women and young people were directly represented.²⁶

*Participating agencies include Oxfam, Care International, Save the Children, Vanuatu Red Cross, Vanuatu Rural Development Training Centres Association, and the German Society for International Cooperation.

Recommendation 2:

That the Australian Government proactively supports an ambitious and legally binding universal climate change agreement including adequate and predictable support for developing countries to implement climate compatible development and better manage escalating climate change risks.

Sustainable Development Goals

In September, countries will come together through the UN to agree on the next global agenda for development—the Sustainable Development Goals (SDGs). Replacing the Millennium Development Goals (MDGs), the SDGs promise a strong plan of action for people, planet and prosperity. They are universal and ambitious in scope, seeking to meet a broad range of economic and environmental priorities and recognising the deep interconnections between the challenges of poverty, inequality, climate change and the rising incidence of conflict and humanitarian crises around the world.

Australia must work to ensure that climate change continues to be a stand-alone goal as well as being integrated across all goals. A dedicated goal on climate change among the SDGs emphasises that the issue cannot be ignored in the development agenda. In addition, the integration of climate change across other goals reflects the interconnections between climate change and development. There is room to more systematically integrate climate change into other goals, particularly those relating to the need for strong emissions reduction and low emissions growth.

²⁵ Women and Gender Constituency, *Position Paper on the 2015 New Climate Agreement*, June 2015, http://womengenderclimate.org/wp-content/uploads/2015/06/WGC_FINAL_JJune.pdf

²⁶ Oxfam Australia, Yumi stap redi klaemet jenis, May 2015, https://www.oxfam.org.au/wp-content/uploads/2015/05/lessons-from-the-vanuatu-ngo-climate-change-adaptation-program-web.pdf



Rising sea levels threaten to inundate islands in the Pacific. Photo: UNICEF/James Alcock

Australia also has an important role to play to ensure that the SDGs, once agreed, are implemented and adequately financed, both through our aid program and at home. Unlike previous development goals, the SDGs apply equally to all signatory countries, developed and developing countries alike. As a prosperous and respected nation, Australia must lead by example by implementing the SDGs domestically while also assisting other nations to do the same.

Recommendation 3:

That the Australian Government promotes efforts to ensure that climate change is maintained as a standalone Sustainable Development Goal with specific and measureable targets and indicators, and that principles of environmental sustainability are further integrated across all other goals.



Sendai Framework for Disaster Risk Reduction

In March 2015, countries agreed to the Sendai Framework for Disaster Risk Reduction, a 15-year framework outlining priorities, plans and investments to reduce the risks of disasters across the world. This included an increased emphasis on preventing new risks, particularly those associated with urbanisation and climate change, and integrating disaster risk reduction across all sectors. Action by Australia and other countries is now needed to meet and implement the commitments made.

International climate finance

The provision of climate finance to developing countries is central to combatting climate change, building resilience and promoting sustainable development. Many developing countries will need help to reduce their emissions and grow their economies in less emission-intensive ways. Access to finance, alongside technology cooperation and capacity building, is an opportunity to explore new avenues for both mitigation and adaptation action and to help poorer countries onto a cleaner development path so that they too can contribute to the global emissions reduction task.²⁷ Climate finance should pursue a gender-responsive and country driven



Supplies arrive following Cyclone Pam in Vanuatu . Photo: UNICEF/James Alcock

²⁷ Climate Change Authority, 2015, Special Review Draft Report—Australia's Future Emissions Reduction Targets, http://www. climatechangeauthority.gov.au/sites/prod.climatechangeauthority.gov.au/files/files/reviews/ret/2015draft/Australia's%20future%20 emissions%20reduction%20targets.pdf

approach that ensures inclusive decision-making processes with the participation of affected communities, including women, at all levels.²⁸

As a wealthy country, Australia must make a fair contribution to international climate finance, to meet the internationally agreed target of \$100 billion per year for the provision of long-term finance through the Green Climate Fund, among other channels. Australia has previously been a stronger contributor on climate finance. Between 2010 and 2012, Australia mobilised approximately \$600 million for climate change research, mitigation and adaptation in developing countries. Its climate finance focused on initiatives in the Pacific region, was spilt equally between adaptation (52%) and mitigation (48%) and included funding to support the community-based adaption efforts of Australian NGOs as well as bilateral projects with partner governments and multilateral funds such as the Least Developed Country Fund.

Green Climate Fund

The Green Climate Fund is solely dedicated to mitigation and adaptation in developing countries and, based on current pledges, is the largest climate fund to date. Innovative features that distinguish it from pre-existing funds include:

- All projects funded must be consistent with warming of less than 2°C
- The allocation of resources will be split equally between mitigation and adaptation initiatives.

Last year, the Australian Government made a welcome contribution of \$200 million over four years to the Green Climate Fund. However, this needs to be scaled up to ensure that we are making a fair contribution. Australia should be responsible for 2-3% of international climate finance flows.²⁹

Australia must also continue to provide finance and other resources to developing countries through bilateral assistance. Such funding must be new and additional to Australia's Official Development Assistance, to avoid the diversion of funds for delivering on other poverty alleviation programs. Australia must ensure that all elements of its contribution to international climate finance are geared towards meeting the needs of least developed countries, and of women, youth and other vulnerable groups.

Climate finance as new and additional to Official Development Assistance

The nature of climate finance is different from development aid, in the sense that developed countries are assisting developing countries in the provision of a global public good. Therefore, although it is important that all aid programs take climate change considerations into account, climate finance commitments must be above the internationally agreed target of 0.7% of Gross National Income going to ODA. This also ensures funding is not diverted away from essential poverty alleviation programs.

²⁸ Women and Gender Constituency, *Position Paper on the 2015 New Climate Agreement*, June 2015, http://womengenderclimate.org/wp-content/uploads/2015/06/WGC_FINAL_JJune.pdf

²⁹ Annaka Peterson Carvalho, 18 June 2014, 'Talking Dollars and Cents: Big Questions about the Green Climate Fund' in Oxfam America blog, *The Politics of Poverty*, http://politicsofpoverty.oxfamamerica.org/2014/06/talking-dollars-cents-big-questions-green-climate-fund/



Recommendation 4:

That the Australian Government scales up our contribution to climate finance to at least \$400 million per year in public finance from 2016/17, including to the Green Climate Fund and bilateral assistance. Climate finance must be new and additional to Australia's Official Development Assistance, in order to prevent the diversion of funding from other poverty alleviation programs.

3.2 Being an effective regional player

Australia has an important role to play in supporting developing countries in our region to undertake climatecompatible development and to reduce and respond to the impacts of climate change through its aid program. Australia has long been an important and effective development partner in our region, particularly for Pacific island countries for which we are the largest donor, as well as a key trade and investment partner.

The stated purpose of Australia's aid program is to promote Australia's national interests by contributing to sustainable economic growth and poverty reduction, focused on the Indo Pacific region.³⁰ ACFID emphasises that this purpose can only be achieved through concerted action on climate change. This is vital to protect development gains made in the region, to ensure the ongoing stability of fledgling nations, and to help countries on a path to sustainable development. Without concerted action on climate change, the need for aid and humanitarian response in Australia's region is likely to grow rapidly over time. Preventative action today can reduce the need for much larger amounts of aid in the longer term.



A child plays in a king tide flood in Kiribati. Photo: UNICEF/James Alcock

³⁰ Australian Government, 2014, Australian aid: promoting prosperity, reducing poverty, enhancing stability, http://dfat.gov.au/about-us/publications/Pages/australian-aid-promoting-prosperity-reducing-poverty-enhancing-stability.aspx

A climate change strategy for Australia's aid program

Australia's aid program currently lacks a dedicated strategy for climate change. Climate change receives little attention in the Government's aid policy and performance framework, appearing only as an area of investment concerned with building resilience in the face of humanitarian disasters.³¹ Moreover, recent large-scale funding cuts to the Australian aid program have forced a reduction in the scale of programming for adaptation, mitigation and other initiatives that foster adaptive capacity and resilience in developing countries in the region.

Among the range of projects that continue to be funded through the aid program, there are many that are helping people to better cope with climate change impacts, even where the connection to climate change is not explicit. These include programs in promoting food security and improving water and sanitation systems. While such investments are vital, an overarching strategy and increased investment is required to support climate change mitigation and adaptation while reducing poverty and inequality in Australia's region, ensuring the countries, communities and people most vulnerable, and the initiatives most urgently needed, are targeted. This is crucial to protect past and future development investments.

Recommendation 5:

That the Australian Government develops and implements a climate change strategy for Australia's aid program to ensure dedicated climate change programming, and that climate change is integrated across all relevant policy and program areas.

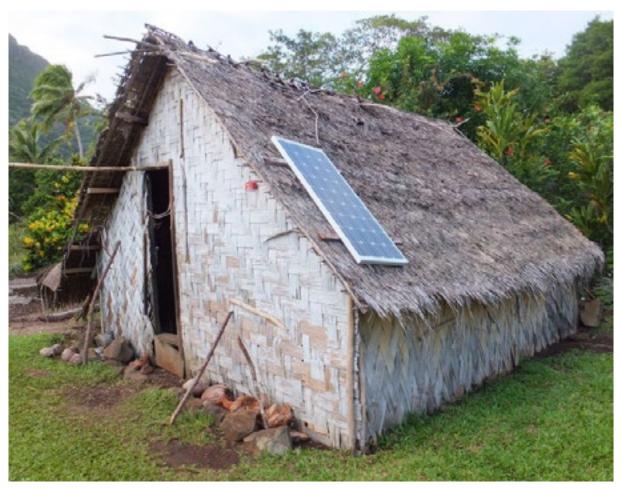
Aid investments in renewable energy

Sustainable economic growth is central to Australia's current aid and development policy. Growth can only be sustainable if it is pursued in a climate-compatible way. It is clear that growth based on fossil fuels is already presenting human and economic costs and will continue to do so. However, while climate change threatens growth and development, the response to climate change also presents an economic opportunity. Many countries are modernising their economies, reducing their dependence on coal, and investing in renewable energy technology.

Australia can assist countries in our region to devise and pursue appropriate policies that decouple development from high emissions and pollution through renewable energy and fostering green industries. Renewable energy is a cheaper, quicker and healthier way to increase energy access. It provides communities with greater self-sufficiency and security, and with benefits more equally shared.

The advantages of renewable energy over fossil fuels are no more apparent than in the Pacific. Coal-fired power, which requires large-scale plants and grid infrastructure, is a non-starter for small islands. Many communities rely on diesel generators; however, diesel and other fuels are expensive, as they must be imported from far afield. Pacific island nations often spend over 10% of their GDP on petroleum imports, diverting funds from other essential development needs, despite having abundant natural renewable energy sources. From the Marshall Islands to Vanuatu, solar power is providing an affordable, long-term solution for island communities, freeing them from expensive diesel imports and allowing people to tap into their own local energy sources.

³¹ Australian Government, 2014, Australian aid: promoting prosperity, reducing poverty, enhancing stability.



Renewable energy provides low cost electricity in Vanuatu. Photo: Nick Maclellan/Oxfam

The newly created InnovationXchange seeks to "develop a diverse portfolio of innovation investments that, if successful, can be adapted, replicated and scaled up."³² The InnovationXchange could offer an avenue for Australia's aid program to encourage innovative renewable energy solutions in our region, in line with the program's objectives to exploit low cost technologies and focus on the Pacific.

Recommendation 6:

That the Australian Government creates a challenge fund within the InnovationXchange focused on locally relevant renewable energy solutions in Pacific Island countries.

³² DFAT, 2014, The Innovation Exchange Approach, Available online: https://innovationxchange.dfat.gov.au/our-approach

Reducing emissions from deforestation and degradation in developing countries

Developing countries in Australia's region, including Indonesia and Papua New Guinea, possess globally significant stands of intact rainforest. However, these forests are rapidly being cleared and degraded with associated increases in emissions, vulnerability and reduction in community resilience. Emissions from land use change and forestry contribute significantly to climate change, accounting for approximately 20% of global greenhouse gas emissions annually.³³ In Papua New Guinea, deforestation accounts for 95% of annual emissions.³⁴

Action to reduce deforestation and degradation is therefore vital to combat climate change and effectively manage natural resources. The protection of forests is also crucial for increasing resilience to climate change. Healthy forest ecosystems provide storm protection for crops and infrastructure and provide a diversity of foods and resources, including sources of income for rural communities. Forests also play a critical role in maintaining soil health, water quality, and the health of marine ecosystems.

Governments and communities in the region must be supported to address the social and economic drivers of deforestation including through improved land use planning, strengthening the implementation and enforcement of policies and legislation to reduce illegal logging and the unsustainable clearing of forests, and addressing market drivers to reduce deforestation including creating demand for REDD+³⁵ carbon credits and sustainably harvested timber.

Recommendation 7:

That the Australian Government targets reduced emissions from deforestation and forest degradation (REDD) in developing countries by investing in a new initiative to support the development and implementation of REDD+³⁶ activities in the region; and proactively supports an agreement for international cooperation and financing of REDD+ activities, which must include appropriate safeguards to ensure land security and equitability for indigenous and forest-dependent peoples.

³³ IPCC, 2014, 'Summary for Policymakers', in *Climate Change 2014, Mitigation of Climate Change*, Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, Edenhofer, O et al. (eds), Cambridge University Press, Cambridge, United Kingdom and New York.

³⁴ Shearman, P, Bryan, J, Ash, J, Mackey, B & Lokes, B, 2010, 'Deforestation and Degradation in Papua New Guinea: a response to Filer and colleagues', 2009, Annals of Forest Science 67(3): 300.304.

³⁵ Reducing Emissions from Deforestation and Forest Degradation (REDD) is an effort to create a financial value for the carbon stored in forests, offering incentives for developing countries to reduce emissions from forested lands and invest in low-carbon paths to sustainable development. "REDD+" goes beyond deforestation and forest degradation, and includes the role of conservation, sustainable management of forests and enhancement of forest carbon stocks. See: http://www.un-redd.org/aboutredd

^{36 &}quot;REDD+" goes beyond deforestation and forest degradation, and includes the role of conservation, sustainable management of forests and enhancement of forest carbon stocks. See: http://www.un-redd.org/aboutredd



Climate change adaptation and disaster risk reduction—supporting community-driven action

Communities in the Pacific and further afield are adapting to climate change, concerned about changing weather patterns and threats to their food security, water supply and livelihoods. In doing so, they are drawing on the resilience of their culture and community, as well as the support of government and NGOs.³⁷

Evidence emerging from Cyclone Pam in Vanuatu has highlighted the success of working with communities and local organisations to prepare for, and mitigate, the impact of disasters.³⁸ Resilience-building programs, and strong cooperation between governments, communities and NGOs, meant that communities were able to better prepare for the cyclone and reduce losses. Such programs also prepared communities to lead their own recovery activities, such as replanting gardens for food when relief distributions came to an end.

The Australian aid program previously placed a focus on supporting community-based climate change action, recognising the value of such action as a complementary component of government efforts to reduce the negative impacts of climate change, particularly in the Pacific. There is an opportunity to build on the successes of previous programs, re-investing in support for communities to develop local solutions to adapt and prepare for the impacts of climate change. By working directly with communities and using local knowledge, activities can be targeted to address community priorities and build the capacity of people to respond to climate change challenges and development needs.



Devastation caused by Cyclone Pam in Vanuatu . Photo: UNICEF/James Alcock

³⁷ Oxfam Australia, 2015, Yumi stap redi long klaemet jenis: lessons from the Vanuatu NGO climate change adaption program,

https://www.oxfam.org.au/wp-content/uploads/2015/05/lessons-from-the-vanuatu-ngo-climate-change-adaptation-program-web.pdf

³⁸ Oxfam Australia, 2015, Yumi stap redi long klaemet jenis: lessons from the Vanuatu NGO climate change adaption program.

Community Resilience and Food Security in Cambodia

Live and Learn's Community Resilience and Food Security project in Kratie Province in Cambodia promotes food security by integrating improved water management systems and sustainable agricultural techniques. Run in collaboration with local partner organisations, this has already proven particularly valuable in mitigating against the impacts of late rains and water shortage on rice cultivation. Local water communities have been established and are supported to maintain the irrigation infrastructure. Local farmers have also received training in the production of natural chicken feed, compost making and soil management. The project has built community resilience by enhancing food security in local villages and in some cases enabling income generation from surplus agricultural produce.

Recommendation 8:

That the Australian Government provides support to community-based initiatives to build resilience against the impacts of climate change in the Pacific.

Women's empowerment and climate change

The experience, knowledge and expertise of women and girls are critical to climate change adaptation and disaster risk reduction strategies and processes. Studies show household adaptation measures are more likely to take root if women are included in the processes from the beginning. It is essential that women and girls are actively involved in policy, planning and implementation processes for disaster reduction.

Despite having knowledge and coping strategies that give them a practical understanding of adapting to changing environmental realities, women tend to be underrepresented in the decision-making on climate change at all levels. Processes to increase women's overall voice and participation in decision-making must be implemented to ensure effective and appropriate approaches for adaptation and mitigation of climate change and natural disaster response.

South Asia Women's Resilience Index

The Women's Resilience Index (WRI) produced by ActionAid, in partnership with The Economist Intelligence Unit and the Department for Foreign Affairs and Trade, assesses the capacity of countries in South Asia for risk reduction in disaster and recovery, and the extent to which women are considered in the national rebuilding efforts.

The Index looks at the disaster-preparedness in Bhutan, Sri Lanka, Nepal, India, Japan, the Maldives, Pakistan, and Bangladesh. It specifically focuses on the degree to which women's needs have been incorporated and the extent to which these countries are prepared for disasters – and finds that each of these countries, Japan aside, fares poorly.

The Index underlines how the task of fostering resilience in the face of emergencies requires a holistic understanding of factors that contribute to vulnerability, and of the need to invest in women's empowerment and gender equality to reduce the impacts of disasters in South Asia.



The Government has recently established a Gender Equality Fund within the aid program, to accelerate support for gender equality. Empowering women to be represented in climate change planning and decision-making should be a priority focus for the new Fund.

Recommendation 9:

That the Australian Government creates a stream within the new Gender Equality Fund focused on supporting women to be represented in climate change decision-making processes at local, national and global levels.

Evidence and research to drive innovative solutions

Research is vital for identifying and implementing the best strategies to reduce climate change risks and vulnerability in developing countries. Creative research partnerships are needed between Australian universities, universities in the region, and actors on the ground to undertake action-orientated research to find locally relevant solutions to climate change. This should include research on climate policy that looks more into the social and gender dimensions of mitigation.

Recommendation 10:

That the Australian Government establishes a collaborative research funding stream to support research partnerships between Australian and regional research institutes and local actors on the ground, working towards finding locally relevant solutions to climate change.

Annex A—List of ACFID Members

Full Members

ACC International Relief Act for Peace - NCCA ActionAid Australia ADRA Australia Afghan Australian Development Organisation Anglican Aid Anglican Board of Mission - Australia Limited Anglican Overseas Aid Anglican Relief and Development Fund Australia Asia Pacific Journalism Centre Asian Aid Organisation Assisi Aid Projects Australasian Society for HIV Medicine Australia for UNHCR Australia Hope International Inc. Australian Business Volunteers Australian Cranio-Maxillo Facial Foundation Australian Doctors for Africa Australian Doctors International Australian Federation of AIDS Organisations Australian Foundation for the Peoples of Asia and the Pacific Australian Himalayan Foundation Australian Injecting and Illicit Drug Users League Australian Lutheran World Service Australian Marist Solidarity Ltd Australian Medical Aid Foundation Australian Mercy Australian Red Cross Australian Respiratory Council Australian Volunteers International Beyond the Orphanage Birthing Kit Foundation (Australia) Brien Holden Vision Institute Foundation Bright Futures Child Aid and Development Fund (Australia) Burnet Institute Business for Millennium Development CARE Australia Caritas Australia CBM Australia ChildFund Australia CLAN (Caring and Living as Neighbours) Credit Union Foundation Australia Daughters of Our Lady of the Sacred Heart Overseas Aid Fund Diaspora Action Australia **Diplomacy Training Program** Door of Hope Australia Inc. Edmund Rice Foundation (Australia) EDO NSW Engineers without Borders Every Home Global Concern Fairtrade Australia New Zealand* Family Planning New South Wales Food Water Shelter

Foresight (Overseas Aid and Prevention of Blindness) Fred Hollows Foundation, The Global Development Group Global Mission Partners Good Shepherd Services Grameen Foundation Australia Habitat for Humanity Australia Hagar Australia HealthServe Australia Hope Global Hunger Project Australia, The International Children's Care (Australia) International Christian Aid and Relief Enterprises International Detention Coalition International Needs Australia International Nepal Fellowship (Aust) Ltd International RiverFoundation International Women's Development Agency Interplast Australia & New Zealand Islamic Relief Australia KTF (Kokoda Track Foundation) Kveema Foundation Lasallian Foundation Leprosy Mission Australia, The Live & Learn Environmental Education Mahboba's Promise Australia Marie Stopes International Australia Marist Mission Centre* Marsh Foundation Mary MacKillop International Mary Ward International Australia* Mercy Works Ltd. Mission World Aid Inc. Motivation Australia MSC Mission Office Nusa Tenggara Association Inc. Oaktree Foundation One Thousand Villages Opportunity International Australia Oro Community Development Project Inc. Oxfam Australia Palmera Projects Partners in Aid Partners Relief and Development Australia People with Disability Australia PLAN International Australia Project Vietnam Quaker Service Australia RedR Australia Reledev Australia **RESULTS International (Australia)** Royal Australian and New Zealand College of Ophthalmologists Royal Australasian College of Surgeons Royal Institute for Deaf and Blind Children Salesian Missions Salvation Army (NSW Property Trust) Save the Children Australia Service Fellowship International Inc. Scarlet Alliance: Australian Sex Workers

School for Life Foundation* SeeBeyondBorders Sight For All SIMaid So They Can Sport Matters Surf Aid International Tamils Rehabilitation Organisation Australia* TEAR Australia Transform Aid International (incorporating Baptist World Aid) Transparency International Australia **UNICEF** Australia Union Aid Abroad-APHEDA UnitingWorld University of Cape Town Australian Trust Volunteers in Community Engagement (VOICE) WaterAid Australia Women for Women in Africa World Education Australia World Vision Australia WWF-Australia

Affiliate Members

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* Denotes Interim Full Member

** Denotes Interim Affiliate Member

Association

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