

**Submission by Caritas Tonga and Caritas Australia to the
Inquiry into strengthening Australia's
relationships with countries in the Pacific
region**

August 2020



Who we are

Caritas Tonga is the agency for justice, peace development and humanitarian aid of the Catholic Diocese of Tonga and Niue in two independent nations in the South Pacific – Niue and the Kingdom of Tonga. Caritas Tonga officially became a full member of Caritas Internationalis in 2003, but has worked in the area of community-led development and climate and humanitarian emergencies in Tonga with over 30 years of experience which predates its full membership to the Caritas Internationalis Confederation. In addition to a small group of staff, Caritas Tonga has over 200 volunteers to carry out the agency's activities, as well as a Secretariat and 14 Caritas Parish committees in the Diocese of Tonga and Niue.

Caritas Australia is the international aid agency of the Catholic Church in Australia. Over the last 56 years Caritas Australia has worked to uphold human dignity and promote justice in partnership with marginalised communities regardless of their ethnicity, political beliefs or religion. Caritas Australia supports long-term and holistic development programs in the Pacific, Asia, Indigenous Australia and Africa. In 2019-20, working with 91 partners, we supported 65 long-term programs in 23 countries and 30 humanitarian and emergency responses in 20 countries. In that year alone, Caritas Australia reached over 1.52 million people directly through emergency and development programs. Over 60,000 people in Australia actively support our work through fundraising and advocacy.

Caritas Tonga and Caritas Australia are members of **Caritas Oceania**, alongside Caritas Fiji, Caritas Papua New Guinea, Caritas Samoa, Caritas Aotearoa New Zealand and CEPAC (Caritas Pacific Islands). Collectively, the Caritas Network has a wide presence across the Pacific, covering 20 countries. We are also members of **Caritas Internationalis**, the world's second largest humanitarian network which collectively has more than 500,000 staff and 20 million volunteers operating through 169 national Caritas agencies in over 200 countries and territories.

About this submission

We welcome the opportunity to participate in this Inquiry. Our submission focuses on climate finance in relation to these Terms of Reference of this Inquiry:

TOR1: The implementation of Australia's Pacific Step-up as a whole-of-government effort to deepen and coordinate Australia's Pacific initiatives; and

TOR 2: Measures to ensure Step-up initiatives reflect the priority needs of the governments and people of Pacific island countries.

We acknowledge the Australian Government's current contributions to climate finance in the Pacific as outlined in the Department of Foreign Affairs and Trade's Climate Change Action Strategy. In this submission we offer recommendations to strengthen climate finance delivery and ensure it reaches the most vulnerable members of the Pacific, as part of the Australian Government's Pacific Step-up and *Partnerships for Recovery* strategy.

In our submission, climate finance refers to public and private funding to support adaptation and mitigation actions that will address climate change. Climate adaptation refers to changes that improve resilience to current and expected impacts of climate change by protecting against harmful effects on people, resources and infrastructure. Common examples in the Pacific include sea walls and cyclone shelters. Climate mitigation refers to measures that reduce or prevent emission of greenhouse gases and therefore mitigate the onset of climate change. Common examples include renewable energy projects and other low-carbon initiatives.

Overarching statement

Climate finance is essential in assisting vulnerable communities in the Pacific to adapt to the mounting impacts of climate change. Without adequate support for climate adaptation, Caritas Tonga believes ‘it is a question of us losing our homes, our values and our lands’.

An ongoing commitment by Australia to strengthen its climate finance assistance in the Pacific will be a key element in strengthening our relationships with Pacific island countries, enhancing resilience and stability in our region, and acting in solidarity with our Pacific family on one of their highest priority issues.

We believe that climate finance in the Pacific is delivered most effectively and with greatest impact when:

- Climate finance initiatives prioritise the rights of the most vulnerable and affected people;
- Local communities have access to climate finance and control over how climate finance initiatives are implemented; and
- Local churches and faith-based organisations are engaged, as they play a key role in supporting and targeting at-risk communities in the Pacific.

Why climate finance is an important issue for the Pacific Step-up and *Partnerships for Recovery*, even during the COVID-19 pandemic

The COVID-19 pandemic has emerged as a new and severe challenge for Pacific island countries, and we welcome the Australian Government’s efforts to help our Pacific family respond to the COVID-19 crisis through its *Partnerships for Recovery* strategy.

At the same time our Pacific neighbours continue to face the pre-existing and severe challenge of climate change. Like COVID-19, it is undermining the security, stability and economic resilience of our region. Climate change and COVID-19 both expose and exacerbate social, economic and ecological vulnerabilities. Furthermore, COVID-19 is challenging the resilience of Pacific economies and health systems which is reducing their ability to respond to the impacts of climate change.

Tonga is considered the second-most at-risk country in the world to natural disasters and the Pacific region contains ten of the fifteen countries considered most at risk of natural disasters and the effects of climate change.^{1, 2}

Pacific island communities are affected by extreme weather events of increasing frequency and severity, such as Tropical Cyclone Harold in April 2020, or Tropical Cyclone Gita in 2018 which affected 80 per cent of Tonga’s population, destroyed 800 houses and damaged

¹ World Risk Report 2016. United Nations University – Institute for Environment and Human Security.

² Partnerships for Recovery: Australia’s COVID-19 Development Response. DFAT, 2020.

another 4000, and caused economic damage worth 38 per cent of Tonga's Gross Domestic Product.³ Communities are also affected by rising sea levels, warmer sea temperatures, heat stress, storm surges, coastal erosion and flooding. These changes are resulting in the forced displacement of thousands of people, an increase in water-borne and insect-borne diseases, worsening food and water security, poorer health outcomes and increased risk of economic shocks.⁴ Livelihoods are increasingly disrupted, as many Pacific economies, including Tonga's, rely heavily on tourism and agriculture which are highly susceptible to the increasing impacts of climate change such as increasingly severe cyclones.

Our experience in partnering with communities in Tonga and other parts of the Pacific has shown us that climate adaptation measures, such as sea walls, water tanks and climate-resilient houses, that build resilience against these climate impacts are a major priority for these communities. This speaks to the Inquiry's second Term of Reference of ensuring that Pacific Step-up initiatives reflect the priority needs of the governments and people of Pacific island countries.

Climate adaptation is also a fundamental part of disaster risk reduction, which refers to steps taken to lessen the harm done by natural disasters such as cyclones. Disaster risk reduction protects lives, livelihoods and economies, especially in the most vulnerable communities. Disaster risk reduction is also highly cost effective – according to the Department of Foreign Affairs and Trade (DFAT), every \$1 invested in disaster risk reduction activities saves up to \$15 on response and recovery in the aftermath of a disaster.⁵ In Caritas Tonga's experience, 'At the community level, climate change adaptation and disaster risk reduction are blurred. You cannot service climate adaptation without taking into account disaster risk reduction - they are one and the same. Both strengthen each other's capacity.' In Caritas Tonga's work, there is no practical differentiation between the two.

For these reasons, we believe that building climate change resilience through climate adaptation is critical to achieving the core pillars of *Partnerships for Recovery* – health security, stability and economic recovery – as well as the Pacific Step-up's objective of creating economic prosperity.⁶ This in turn highlights the importance of climate finance, particularly for climate adaptation.

As a signatory to the Paris Agreement, the Australian Government has committed to contributing to the global climate finance goal to help fund climate adaptation and mitigation for more vulnerable countries. We acknowledge and thank the government for the climate finance commitments it has made in our region, including \$500 million over five years to help Pacific nations invest in renewable energy and climate and disaster resilience as part of the Pacific Step-up.⁷ As the Australian Government implements the Pacific Step-up and the *Partnerships for Recovery* strategy, including through the development of country-level COVID-19 Development Response Plans, we urge the government to recognise the role that

³ Post Disaster Rapid Assessment, Tropical Cyclone Gita. Government of Tonga, February 2018.

⁴ For the Future: Towards the Healthiest and Safest Region. A vision for WHO work with Member States and partners in the Western Pacific. World Health Organisation, August 2019.

⁵ Climate Change Action Strategy. DFAT, November 2019.

⁶ Stepping Up Australia's Engagement With Our Pacific Family. DFAT, September 2019.

⁷ Stepping Up Australia's Engagement With Our Pacific Family. Ibid.

well-targeted climate finance can play in building stability, prosperity and resilience in our region during and after the COVID-19 crisis.

Throughout the rest of this submission, we offer some recommendations to strengthen the effectiveness and impact of climate finance and to ensure it reaches the most vulnerable members of our Pacific family.

Climate finance has greatest impact and effectiveness when it prioritises, and is accessible by, the most vulnerable people in society

Prioritising the most vulnerable

Caritas works to leave no one behind. We believe that climate finance is delivered most effectively and with greatest impact when climate finance initiatives prioritise the rights of the most vulnerable and affected people. This includes women and girls, people living with disabilities, people living in extreme poverty, indigenous peoples, and lesbian, gay, bisexual, and transgender (LGBT) people.

In Tonga, as is the case in many small island developing states, **women** are not well represented in the decision-making process. This constrains their ability to meaningfully participate in decisions on climate adaptation and ultimately affects their coping capacity; their voices are not being heard, and their stories are not being told.

In Caritas Tonga's experience, communities in Tonga fare better during natural disasters when women play a leadership role in early warning systems and reconstruction. Women tend to share information related to community well-being, are less concerned about political motivations when it comes to emergency food and shelter distributions, choose less polluting energy sources and adapt more easily to environmental changes. When their family's survival is at stake, women tend to be very effective at mobilizing communities in the event of disaster.

Through civil society forums, Caritas Tonga supports women's groups in Tonga including with disaster resilience and climate adaptation activities. These activities are all centred on the cultural value 'pikipiki hama kae vaevae manava' ('to bind strongly and share breath of life'), that is, to coordinate and work in unison with all factors including the physical or natural, cultural, environmental, social and political so as to improve life or share breath of life into the united cycle of life.

In Caritas Tonga CEO Amelia Ma'afu's experience, '**people with disabilities** have always made it clear each time we have talked just how important it is not just to be seen and included but equally essential is the importance of being "heard" - their famous phrase of "nothing for us without us".'

An important part of Caritas Tonga's work in helping communities to 'build back better' after a disaster is to ensure people with disabilities are prioritised. In the aftermath of Tropical

Cyclone Gita in 2018 Caritas Tonga implemented inclusive 'build back better' shelter repair programs for over 30 families affected by disabilities who were significantly impacted by Tropical Cyclone Gita. These inclusive shelter repair activities included the construction of bathrooms with disability access. Caritas Tonga has worked with other disability-focused NGO's to ensure that people with disabilities are a priority in Caritas Tonga's disaster response and recovery programs.

In order for climate change adaptation to be inclusive, and to enhance the effectiveness and sustainability of climate change projects and policies, we encourage an approach which actively calls for greater participation by vulnerable groups.

A few key factors will help ensure that climate finance prioritises and is accessible by the most vulnerable members of society:

- Empowering local communities to access funding and take control of community-level climate finance projects;
- Ensuring effective and increased participation of churches, faith-based organisations and other civil society groups, as they are the ones who have strong relationships at the local level and so are best placed to ensure targeting of at-risk communities; and
- When providing climate finance, include criteria that requires recipients to have specific objectives and indicators to target vulnerable communities.

Empowering local communities to access funding and take control of community-level climate finance projects

In Caritas Tonga's experience working with affected communities, support for adaptation measures for people directly on the ground represents a large gap in climate finance activities, and climate finance is generally difficult for local organisations and communities to access. Some of the challenges they have encountered related to lack of transparency of funding mechanisms as well as very lengthy and overly-complex bureaucratic processes.

Another challenge is that in some instances when communities managed to access funding for climate adaptation projects, there was no provision built in for training or ongoing monitoring and evaluation. Some communities have also been excluded from participating in decision-making about climate finance projects in their area. Caritas Tonga has found that in some cases, opportunities for local civil society groups to feed into consultation processes occur after key decisions about funding priorities have already been made, for example where funding has already been earmarked for specific projects.

In contrast, when local communities are empowered to take control of local initiatives, they have implemented sustainable and effective programs.

Successful partnerships between communities, civil society and government lead to sustainable program results

After Tropical Cyclone Ian in 2014, Caritas Tonga implemented a community water catchment retrofit project in sixteen communities on the most affected island of Ha'apai. Communities provided community-led project management and labour to retrofit sixteen debilitated water catchments to meet the demands for drinking water during a time of identified water scarcity in Ha'apai.

Caritas Tonga and the communities partnered with local government to mobilise community groups and the Ha'apai Hospital for water decontamination assistance, and were able to successfully rehabilitate these water catchments to 100 per cent operational capacity. Communities established rules to manage and effectively conserve their community water supply with the introduction of identified set times for drawing water, identified purposes for drawing water e.g. drinking and cooking, and also accommodating safety precautions such as adequate lighting and rostered management of the catchment to ensure safety for all.

This is an example of the successful partnership of various stakeholders to contribute to the overall success of the project - where all actors had an important role to play for the overall implementation and sustainability of this project. To date all sixteen catchments are still operational.

Churches, faith-based organisations and civil society have the strongest relationships at the local level and are best placed to ensure targeting of vulnerable communities

Churches play a central role in the lives of communities across the Pacific, where over 90 per cent of the population is Christian. In Tonga, as in many parts of the Pacific, the Church is a powerful platform, and church leaders are an integral part of their communities and play significant roles with day-to-day contact with the local communities. Faith-based organisations have strong community-based relationships through the churches.

In Tonga, faith-based organisations and other civil society organisations have partnered with each other and with the Tongan Government to support communities in delivering practical climate adaptation programs. For example, Caritas Tonga is an active member of the Tongan National Council of Churches (TNCC), and has partnered with the TNCC and with local communities on climate resilience, disaster preparedness and community development programs. Some of their joint projects include tree replanting to protect coastlines from erosion and transporting full water tanks to residents on the outer island of Ha'apai in need of emergency water. They have also partnered to participate in Tonga's first national live evacuation drill; support the development of village emergency committees and emergency plans; and support income generation projects.

Caritas Tonga and other civil society groups also play an important role in supporting local capacity building. They have assisted local community members to participate in consultations such as the civil society roundtable of the Tongan Climate Change Trust Fund. They have also supported local communities to apply for project funding and in ongoing monitoring of climate adaptation and disaster risk reduction initiatives, which builds long-term sustainability of programs.

Faith-based organisations and other civil society organisations have the experience and local knowledge through established community links to understand the priorities, strengths and weaknesses that have been self-identified by local communities, especially in relation to project implementation. Because of this, climate change adaptation programs work best when there is a strong partnership between churches, faith-based organisations and other civil society groups, and local communities and government.

In Caritas Tonga's experience, however, the full capacity of the church networks in Tonga have not been fully utilised to enhance community engagement and ownership of climate change adaptation, including at the implementation and monitoring and evaluation stages.

We acknowledge the Australian Government's existing engagement of churches and faith-based organisations in Tonga and the wider Pacific, and encourage the government to further strengthen dialogue with churches and faith-based organisations to ensure they are fully harnessing the power of Pacific church networks to help the Australian Government's implementation of climate resilience programming and COVID-19 Development Response Plans.

Caritas Tonga assists local communities to leverage more support

Caritas Tonga worked with Popua and Halaovave villages in a pilot project to build resilient homes for vulnerable families. Popua and Halaovave are low lying coastal communities that are subject to sea water inundation at high tide, prone to flash flooding when the seas are rough, and are impacted very severely during natural disasters. Both communities had previously faced challenges in bringing their adaptation priorities to the attention of government and in accessing finance for adaptation activities specifically around drainage of residue water after flash flooding. In both communities, household adaptation measures like continuous reclamation of land with gravel were possible but were very much dependent on household income and level of affordability. Those families who could not afford to keep reclaiming their homes suffered the consequences from all the residue water now being redirected into their homes and living rooms. These families are often forced to live with residue water for more than six months of the year and when cyclone season happens they are almost always subjected to flooding for the whole season (November to April) each year.

Through Caritas Tonga's implementation of a pilot project building resilient homes for low income families in 2016, the project increased awareness and drew the attention of government, civil society and the private sector to the daily environmental

challenges faced by these two communities. As a result, the local Member of Parliament helped connect water and electricity to the homes and identified the need to assist families in these areas with reclamation to avoid water borne diseases like typhoid and zika. This resulted in public health awareness trainings for these communities and vector spraying of homes. Communities have now also been able to access climate adaptation funding as a result of the increased awareness of the environmental and social challenges faced by the families living in these villages.

Recommendations:

We encourage the Australian Government to strengthen efforts to empower community-led climate adaptation initiatives in the Pacific that prioritise the most vulnerable by adopting these measures:

1. Incorporate criteria within its climate finance delivery that require recipients to commit to objectives and indicators that:
 - a. Target at-risk communities;
 - b. Target participation of civil society including churches and faith-based organisations as they play a key role in ensuring targeting of at-risk communities; and
 - c. Strengthen accountability and feedback mechanisms to ensure genuine voice and participation by civil society including churches and faith-based organisations.
2. Engage in dialogue with local civil society, including churches and faith-based organisations, to identify further measures to enhance the accessibility of, and participation in, climate finance initiatives by local communities, and to fully harness the power of Pacific church networks to help the Australian Government's implementation of climate resilience programming and COVID-19 Development Response Plans.

Appropriate climate financing for community-led climate adaptation

Dedicated climate adaptation streams

We commend DFAT's commitment in its Climate Change Action Strategy to mainstreaming climate change adaptation and disaster risk reduction across all development programming. We strongly agree that this is an important approach to strengthening climate resilience and acknowledge and encourage DFAT's efforts to continue implementing this objective.

At the same time, we also recommend that the Australian Government provides a dedicated funding stream for climate adaptation. In Caritas Tonga's experience, much of the funding that is counted as climate adaptation funding is integrated within broader development programs and therefore does not specifically target local-level climate adaptation needs as

its primary objective. A dedicated stream of climate adaptation funding will provide a greater level of control to local communities to prioritise urgent adaptation needs.

Within such a dedicated stream, we encourage the Australian Government to provide a mechanism specifically targeting local community-led climate adaptation initiatives, such as the former Community-Based Climate Change Action Grants Program. This three-year pilot program supported community-based climate adaptation and mitigation activities in vulnerable countries in partnership with non-government organisations. An independent evaluation showed that the program led to strong, positive advances in climate change adaptation including an increase in local knowledge and skills, inclusive participation and representation, community leadership, knowledge sharing and links between local communities and government.⁸

Prioritising climate adaptation over mitigation at the local level in the Pacific

Caritas Tonga's experience is that climate finance tends to be overly-focused on mitigation and large-scale infrastructure at the expense of local adaptation needs and that energy sector reform projects are classified as 'adaptation'. While these projects may have co-benefits for resilience they do not meet the urgent climate adaptation needs of many local communities.

Recent data breaking down Tonga's climate finance flows from global donors through Official Development Assistance (ODA) investments shows that over the period 2010-18, only 21 per cent of climate change investments in Tonga were for adaptation and the remaining 79 per cent were classified as mitigation. If energy supply projects are removed, less than 12 per cent of climate-related ODA was channelled into adaptation.⁹

According to DFAT's latest reported figures, 74 per cent of Australia's climate development assistance to the Pacific is directed towards adaptation.¹⁰ We are heartened to see this greater focus on adaptation to reflect the priorities of the Pacific¹¹ and encourage the Australian Government to use international diplomacy opportunities including climate change forums to encourage other donor countries to take a similar stance. To further strengthen delivery of its climate resilience programming, we encourage DFAT to identify the proportion of Australia's climate finance that is specifically available at a community level for community-led adaptation.

Finally, the Australian Government has so far provided climate finance to the Pacific as grants, not loans. We commend and encourage the government to continue this approach with any new mechanisms such as the Australian Infrastructure Financing Facility for the

⁸ Independent evaluation of the Community-Based Climate Change Adaptation Grants Program – main evaluation report. Griffin NRM, 2016.

⁹ Perspectives on the Climate Change budget. Presentation by Prof. Jeremy Hills, UNDP Consultant, at the Tonga Budget Analysis Meeting, 22 June 2020.

¹⁰ Australia's Fourth Biennial Report. Commonwealth of Australia, 2019.

¹¹ Investing in the Future: Evaluation of Australia's Climate Change Assistance. Office of Development Evaluation, DFAT. July 2018.

Pacific, as this approach recognises the principle of climate justice – that our Pacific island neighbours have done very little to contribute to climate change yet are amongst the world's most affected and vulnerable communities, and should be assisted with grants not loans to adapt to its impacts.

Recommendations:

We encourage the Australian Government to enhance the impact and effectiveness of its climate finance delivery by adopting these measures:

3. Provide a dedicated stream of funding which principally targets climate adaptation, and within this provide a mechanism that specifically targets local community-led climate adaptation initiatives, which may be similar to the former Community-Based Climate Change Action Grants Program.
4. Identify the proportion of Australia's climate finance that is specifically available at a community level for community-led adaptation.
5. Continue efforts to mainstream climate change adaptation and disaster risk reduction across all development programming.
6. Continue to provide a greater focus on climate adaptation over mitigation in the Pacific to reflect Pacific priorities, and use international diplomacy engagements to encourage other donor countries to take a similar stance.

Summary of recommendations

To maximise the impact and effectiveness of the Australian Government's existing and future investments in climate resilience as part of the Pacific Step-up and *Partnerships for Recovery* (Inquiry Term Of Reference 1), and to reflect the priorities of Pacific countries and communities (Inquiry Term of Reference 2), we encourage the Australian Government to continue efforts to empower community-led climate adaptation initiatives that prioritise the most vulnerable by adopting these recommendations:

1. Incorporate criteria within its climate finance delivery that require recipients to commit to objectives and indicators that:
 - a. Target at-risk communities;
 - b. Target participation of civil society including churches and faith-based organisations as they play a key role in ensuring targeting of at-risk communities; and
 - c. Strengthen accountability and feedback mechanisms to ensure genuine voice and participation by civil society including churches and faith-based organisations.
2. Engage in dialogue with local civil society, including churches and faith-based organisations, to identify further measures to enhance the accessibility of, and participation in, climate finance initiatives by local communities, and to fully harness the power of Pacific church networks to help the Australian Government's implementation of climate resilience programming and COVID-19 Development Response Plans.
3. Provide a dedicated stream of funding which principally targets climate adaptation, and within this provide a mechanism that specifically targets local community-led climate adaptation initiatives, which may be similar to the former Community-Based Climate Change Action Grants Program.
4. Identify the proportion of Australia's climate finance that is specifically available at a community level for community-led adaptation.
5. Continue efforts to mainstream climate change adaptation and disaster risk reduction across all development programming.
6. Continue to provide a greater focus on climate adaptation over mitigation in the Pacific to reflect Pacific priorities, and use international diplomacy engagements to encourage other donor countries to take a similar stance.

End of submission