Inquiry into the strategic effectiveness and outcomes of Australia's aid program in the Indo-Pacific and its role in supporting Australia's regional interests

Submission 15



Towards a Congregational Voice on Climate Change and Pacific Islands

15 June 2018

Committee Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade
PO Box 6021
Parliament House
CANBERRA ACT 2600
By email: jscfadt@aph.gov.au

Dear Committee Secretary

Inquiry into the strategic effectiveness and outcomes of Australia's aid program in the Indo-Pacific and its role in supporting Australia's regional interests

The Inter-Congregational Voice on Climate Change and the Pacific Islands¹ welcomes the opportunity to make a submission to this Inquiry. We are a group of Catholic Religious congregations with historical and ongoing involvement with the peoples in Pacific Island nations. We have joined together to amplify the voices of these people who are most vulnerable to the effects of climate change. Together with lay associates, we are involved in ministry to people in schools, parishes, hospitals and other activities throughout Australia. Many of our members have witnessed and felt the pain of the impacts of climate change on the peoples' everyday lives, their health, threats to their traditional life styles, and fears for their future.

Our submission draws on extensive experience over many years of working with communities in the Pacific region, including Papua New Guinea, Fiji, Kiribati, Solomon Islands, Timor Leste and Tuvalu. This work includes education, community development and climate justice. For many years, these countries have been putting out desperate calls to industrialised countries to mitigate climate change, and to recognise their vulnerability. The effects of climate change in the Pacific are also human rights issues and exacerbate pre-existing development challenges.

Yours sincerely





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Australia's aid program in terms of strategic and development goals

Given Australia's size and geographic location in the Pacific region, we have a responsibility to play a leadership role in responding to the human rights, development and climate change challenges the region faces. The Government provides \$1.1 billion in ODA to the region and has a diplomatic presence in most Pacific Island Forum nations. The official currency in a number of Pacific countries such as Kiribati and Tuvalu is the Australian Dollar.

According to the Australian Government's Australian Aid: Promoting Prosperity, Reducing Poverty, Enhancing Stability –

"The Government's aid program will promote prosperity, reduce poverty and enhance stability by focusing on achieving two development outcomes: strengthening private sector development and enabling human development."²

Further, the Government's *Making Performance Count: Enhancing the Accountability and Effectiveness of Australia Aid* identified 10 key targets for the aid program:

- 1. Promoting prosperity;
- 2. Engaging the private sector;
- 3. Reducing poverty;
- 4. Empowering women and girls;
- 5. Focusing on the Indo-Pacific region;
- 6. Delivering on commitments;
- 7. Working with the most effective partners;
- 8. Ensuring value for money;
- 9. Increasing consolidation; and
- 10. Combatting corruption.³

We are concerned that there is no mention of "climate change" throughout either document. It is not possible to promote economic development and enable human development in the Indo-Pacific region without taking urgent action to combat climate change and its impacts.

The United Nation's 2007-2008 Human Development Report, Fighting Climate Change: Human Solidarity in a Divided World argued that the international community had one decade to change course and prevent the issue of climate change. The report noted that —

"We are witnessing at firsthand what could be the onset of major human development reversal in our lifetime. Across developing countries, millions of the world's poorest people are already being forced to cope with the impacts of climate change. These impacts do not register as apocalyptic events in the full glare of world media attention. They go unnoticed in financial markets and in the measurement of world gross domestic product (GDP). But increased exposure to drought, to more intense storms, to floods and environmental stress is holding back the efforts of the world's poor to build a better life for themselves and their children."

Ten years after this report was released, the international community has arguably failed to adequately respond to the climate crisis. This has a profound impact on the capacity of countries in the Indo-Pacific to achieve economic and human development. For instance, climate change affects

² https://dfat.gov.au/about-us/publications/Documents/australian-aid-development-policy.pdf

https://dfat.gov.au/about-us/publications/Documents/framework-making-performance-count.pdf

a country's ability to, among other things, eradicate poverty, achieve zero hunger, provide quality education, achieve gender equality and secure fresh and safe water supplies.

Food security – Climate change has a significant and adverse impact of the supply of food, as droughts become longer and more frequent. When it does rain, falls are more intense and this can cause damage to crops. Increased temperatures affect fish supplies which are a major of food for many Pacific countries, and also cause sea level rise and more intense storm surges/king tides which lead to worsened soil salinity. These impacts exacerbate the pre-existing food security challenges many countries face.

Water stress and scarcity – As temperatures rise and droughts become longer and more frequent, there is less drinking water. Heavier rainfalls, king tides and storm surges can increase sediments and pollutants in fresh water bodies. Sea level rise and more intense storm surges also diminish the size of the fresh water lens, which is the main source of drinking water in many countries such as Kiribati.

Health risks – Climate change is having an increasing impact of people's health. Diminishing food supplies can contribute to under-nourishment, while contaminated water supplies cause water-borne diseases such as diarrhoea and dengue fever. In 2015, destructive tides caused by Cyclone Pam caused significant damage to Betio Hospital in Kiribati.

Impact on women– Climate change has a disproportionate impact of women. The impacts of climate change have the potential to increase the workload for women, limiting their opportunities to access education, employment and community leadership roles. For instance, in many countries, women are responsible for water collection, thus a decrease in water supply will inevitably place more pressure on women. We also know that women will assume responsibility for caring for people, especially children, with water-borne diseases.⁴

Security, sovereignty and migration – Many of the impacts of climate change such as increased natural disasters, sea level rise, water scarcity and prolonged drought can cause displacement and migration. Pacific Island peoples have developed sophisticated culture and spirituality systems based on connection to land and water, and these systems form the core of their identities.

Education impacts – Teachers in Kiribati advise that the quality of education is affected because students are unable to attend school due to water borne diseases. In outer islands of Kiribati, a number of schools are very close to the coast and have been damaged by storm surges and king tides which are more intense due to climate change. Furthermore, Cyclone Winston was responsible for causing significant damage to schools across Fiji, including three schools in the town of Ba, northwest of Suva.⁵

Economic impacts (decent work and economic growth, industry, innovation and infrastructure) – Countries and communities affected by climate change face significant costs due to climate change, including loss and damage and adaptation. The impacts of climate change (such as drought, sea level rise, and depleted food and fish stocks) threaten countries' capacities to develop industries, which in turn makes it harder for people to find employment and stimulate economic activity.

The above summary is not exhaustive. It is brief overview of the way in which climate change is exacerbating the human rights and development challenges faced by many countries, especially in the Pacific.

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⁴ https://www.uncclearn.org/sites/default/files/inventory/unwomen704.pdf

https://www.columban.org.au/media-and-publications/articles/features/2016/2016-mid-year-appeal/cyclone-winston-had-no-mercy

This point is also being made by our neighbours in the Pacific. During the Human Rights Council's Universal Periodic Review of Kiribati, the Kiribati delegation –

"...reiterated that the greatest challenge remains the adverse effects of the changes to the climate system on the rights of Kiribati's people to survive: the UPR process will mean nothing if climate change is not addressed as an urgent and major challenge for human rights for all."

The same applies to the objectives of our aid program. Aid means nothing unless climate change is addressed as an urgent and major challenge. Therefore, combating climate change and its impacts should be a key strategic priority of Australia's aid program.

Furthermore, sustainable development (which encompasses both economic growth and human development) should be the strategic objective of our aid program.

Adaptation Finance

As part of the Paris Agreement, parties have committed to provide \$US100 billion annually to help developing countries finance climate action, such as adaptation. During the Paris Conference, Prime Minister Malcolm Turnbull announced A\$1 billion to support vulnerable countries adapt and build resilience to climate change.⁷

While these developments were welcome, there is more that can be done, especially in order to achieve the SDGs. Contributions to the Fund should be in addition to existing ODA budgets. However, the A\$1 billion contribution from the Australian Government over 5 years is not new money, but rather it is drawn from our existing ODA budget.⁸ The amount also falls short of the \$1.5 billion estimated as Australia's fair and just contribution.⁹ Notably, the \$1 billion contribution over four years is significantly less than the approximately \$5 billion provided each year by Australian Governments to support fossil fuel industries, such as fuel tax credits, deductions for capital works expenditure and other subsidies.¹⁰

Furthermore, it has been argued that relocation (intra-country and inter-country) is a form of adaptation.¹¹ Our partners in the Pacific have expressed their desire to remain in their country; migrating to a new country must be an absolute last resort. As a result, the Government's priority must be to ensure that people can remain in their homelands. However, Australia should work with our Pacific neighbours to ensure that we are ready if longer-term and permanent migration becomes necessary. This includes expanding education and labour access programs, as well as exploring the possibility of open access schemes (similar to programs New Zealand has with the Cook Islands, Niue and Tokelau and the US has with the Marshall Islands). These skills also help people build resilience through remittances and opportunities to develop skills, which in turn help communities to adapt to climate change and respond to other development challenges.

Loss and Damage

⁶ https://www.upr-info.org/sites/default/files/document/kiribati/session 21 - january 2015/a hrc wg.6 21 l.2.pdf

https://www.sbs.com.au/news/cop21-turnbull-pledges-1-billion-to-battle-climate-change

http://www.erc.org.au/cop21 paris australia fails on real increase in support for most climate vulnerable neighbours

https://www.sbs.com.au/news/cop21-turnbull-pledges-1-billion-to-battle-climate-change

https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/9992.pdf

¹¹ http://climatemigration.org.uk/migration-as-adaptation-new-briefing-paper-2/

The Paris Agreement also enhanced the Warsaw International Mechanism on Loss and Damage, which aims to assist vulnerable countries cope with the adverse effects of climate change, including extreme weather events and slow-onset events such as sea-level rise.¹² It refers to compensating countries for the loss and damage caused by climate change. This is an important principle of climate justice, because developed countries have been the major beneficiaries of emission-intensive economic growth, while countries which have contributed the least to climate change, such as Kiribati, Tuvalu and the Marshall Islands, are most vulnerable.

However, there has been inadequate progress on funding for loss and damage. Delegates and observers to COP 23 have reported that representatives from a number of developed countries, including Australia, displayed reluctance to support meaningful loss and damage finance. The European Union and Australia argued that discussions on finance should not be part of the negotiations for loss and damage because "not every disaster is caused by climate change." It will be very difficult to achieve the objectives of our aid program unless meaningful progress is made on funding for loss and damage.

Strengthening ODA

Over many years we have observed the importance of Australian ODA in providing important infrastructure and services to communities in the Pacific. However, from our observation and engagement with these communities, we have identified the importance of ensuring that funding is not only available for construction of these facilities, but for maintenance as well. For instance, rainwater tanks are in need of repair, with taps missing or leaking, filters removed and damage to the guttering leading to the tank. Storms, which are exacerbated by climate change, have caused much of this damage. Furthermore, infrastructure and services, such as roads and schools, constructed close to the coastline, are more susceptible to damage by king tides.

In light of these observations and feedback, we recommend that Australia's ODA program give consideration to:

- Using material that are more resilient than plastic (especially in the installation of rainwater tanks);
- All projects need to include a provision (including funding and technical support) for ongoing maintenance:
- Projects should not use materials that will eventually end up as pollution;
- Projects should be culturally appropriate; and
- Projects should involve in-country VET institutions to ensure the local workforce builds the skills for maintenance and future construction, as well as the establishment of business establishment.

Most importantly, projects should be developed at the request of and/or in close consultation and engagement with local communities. A rights-based approach that priorities local participation, accountability, non-discrimination, community empowerment and links to human rights treaties, is critically important.

To that end, an over-emphasis on "efficiency" risks undermining the urgent need for grassroots projects that have the potential to achieve significant benefits for local communities. The Arop Water Project in PNG was a major need highlighted by families of Arop. Arop Village is situated west

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¹² http://bigpicture.unfccc.int/#content-the-paris-agreemen

¹³ http://climatetracker.blogactiv.eu/2017/11/13/cop-23-eu-australia-claim-insufficient-evidence-climate-change-singular-cause-of-extreme-weather/

of the Aitape shoreline and has a population of 3,497. Life is challenging as the people moved inland after the tragedy and destruction of the 1998 tsunami. The relocation of the new Arop village on a swampy area caused increased poverty and hardship through the lack of clean and safe water for drinking and cooking.

Generous contributions, donations and fundraising from International Presentation Sisters Association through the 'Friday Fast' along with many schools throughout Australia, was greatly appreciated. With the assistance of Presentation Sisters, Caritas PNG/Aitape Diocese, Arop families and Presentation Sisters 'Friends of Nano' working together for the arrival and setting up of the tanks during July 2016 the tanks were brought across the Yilingi River and through challenging roads and terrain all to bring great hope to families and villages in Arop. Arop now has 17 water tanks (9,000L) which will improve the health and well-being of people through the use of fresh rain water and sanitation.

This was privately funded, with what appears to have been no support from ODA. While it is promising that such a project was able to receive community funding, this source of funding may not always be available.

Official Development Assistance in perspective

Australia is a member of the OECD Development Assistance Committee (DAC), which supports calls for developed countries to contribute 0.7 per cent of their GNI to ODA. However, Australia's current ODA contributions fall short of this target and recent ODA cuts further undermine the Government's commitment to achieving the SDGs. Dr Cameron Hill from the Parliamentary Library notes -

"In cumulative terms, the ODA budget has been cut (or is projected to be cut) by almost one third (32.8 per cent) since the Gillard Government's 2013–14 Budget, which represented a high point for aid funding. The Government has indicated that the aid program is unlikely to rise in real terms until the budget returns to surplus. The freezes accelerate Australia's diminishing aid generosity: ODA as a proportion of Gross National Income (GNI) will fall to 0.22 per cent in 2017–18 and to an unprecedented low of 0.20 per cent in 2020–21."

The Government is also providing \$300 million over four years (from 2016-2020) for climate change and resilience in the Pacific region. While this is an important contribution, it is useful to put it into some perspective. Firstly, climate finance contributions should be in addition to, not part of existing ODA budgets. Secondly, funding for climate change resilience is being undermined by the Government's ongoing subsidies for fossil fuel industries (conservatively estimated to be approximately \$5 billion per year). Over a four year period, the Australian Government is providing \$300 million to support Pacific countries build climate resilience and adapt to climate change, yet over the same period is providing \$20 billion to industries that are contributing to climate change. More money is spent to support domestic activity that contributes to climate change than to support countries cope with the impacts of climate change.

Recommendations

To ensure the ongoing and improved effectiveness of Australia's ODA program in to the Pacific region, the Inter-Congregational Voice makes the following recommendations:

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https://www.aph.gov.au/About Parliament/Parliamentary Departments/Parliamentary Library/pubs/rp/BudgetReview201718/Official Development Assistance steady but still shrinking

http://dfat.gov.au/about-us/corporate/portfolio-budget-statements/Documents/2017-18-australian-aid-budget-summary-pacific.pdf

- Increase Official Development Assistance to 0.7 per cent of Gross National Income as soon as possible;
- Ensure that the ODA program is based on the Sustainable Development Goals (SDGs);
- Ensure that addressing climate change and its impacts are at the heart of the program;
- Ensure that Australia's contributions to the climate finance and adaptation are separate, and in addition to the country's ODA budget;
- Provide meaningful finance for Loss and Damage through the Warsaw International Mechanism on Loss and Damage;
- Examine new and expanded migration access pathways for citizens of Pacific Island countries.