

October 2016

Parallel session -
Auditing
Government Efforts
to adapt to climate
change and the
marine
environment

New Zealand update PASAI cooperative audit on Climate Change Adaptation and Disaster Risk Reduction + PCE reports on sea level rise

Jonathan Keate, Senior Solicitor Sector Manager

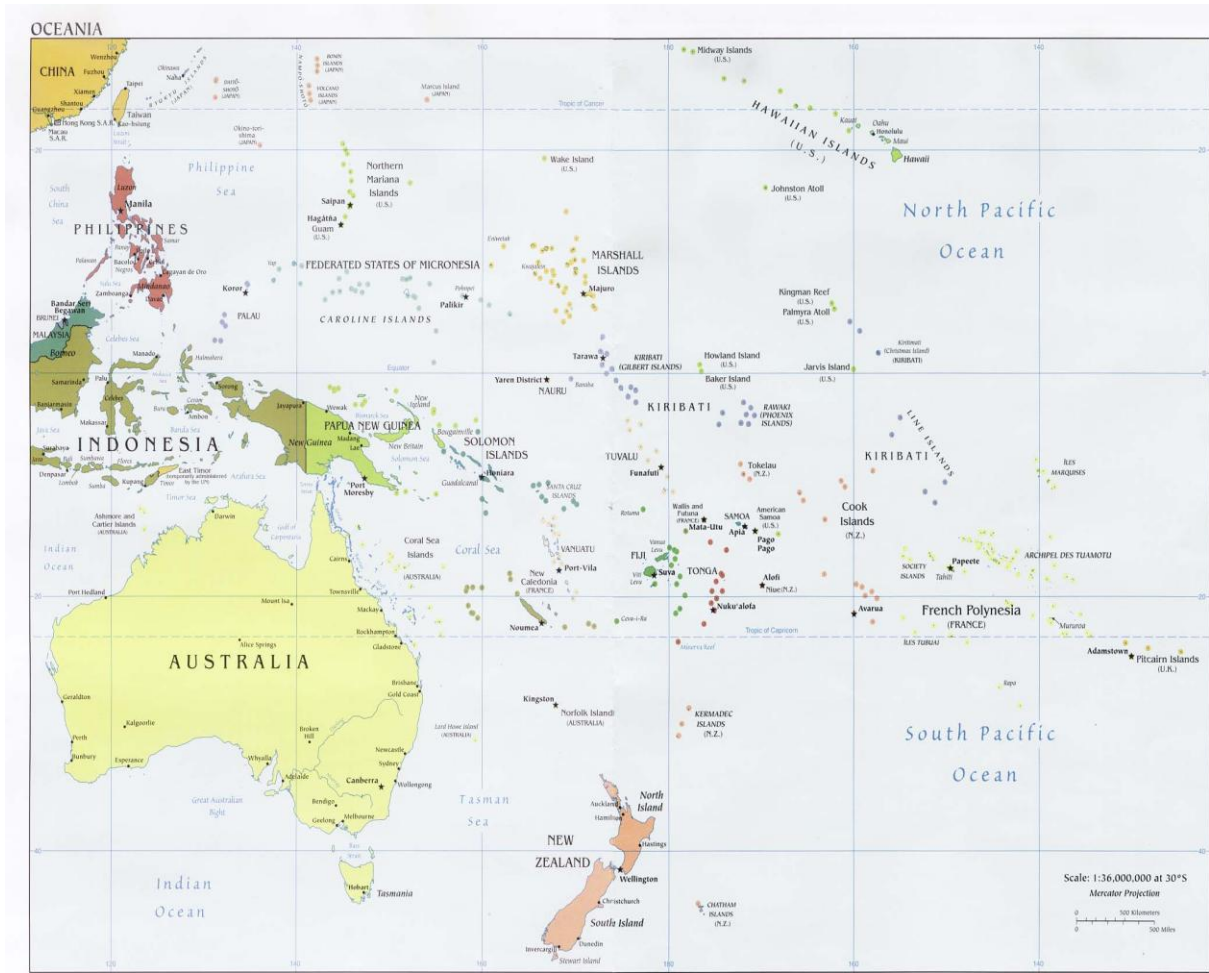


Outline of session

2

- Background - PASAI cooperative audit program
- Cooperative audit on climate change
- Recent reports by New Zealand's Parliamentary Commissioner for the Environment on sea level rise

Large geographic region – Micronesia, Melanesia, Polynesia, other (Australia, NZ, French territories)



Background - PASAI cooperative environmental audits

4

Solid waste
management – 2010



Drinking water
– 2011/2012



Sustainable fisheries
– 2012/2013



4th cooperative audit

Climate Change Adaptation and Disaster Risk Reduction strategies (2013)

5

- A survey of PASAI members showed strong support to consider climate change adaptation and disaster risk reduction strategies as the topic for the 4th cooperative audit
- 10 Pacific SAIs participated involving 20 auditors
- Cook Islands, Federated States of Micronesia (FSM), FSM state of Kosrae, FSM state of Pohnpei, Fiji, Palau, Samoa, Tuvalu, Tonga, Solomon Islands
- Methodology – preliminary study, joint planning and reporting meetings, peer review, expert support
- 8 audit reports publically released
- Regional overview report prepared

Pacific context

6

- Large ocean region!
- Many low lying small islands and coral atolls
- Highly vulnerable to rising sea levels, extreme weather events, tsunamis, cyclones, storms, coastal erosion
- Marine environment and coastal areas important food source
- Challenges in recovering from natural disasters
- Increasing frequency of such events
- Lots of foreign aid funding in Pacific, including for climate change adaptation
- Valuable lessons can be learned from disaster recovery to inform CCA measures

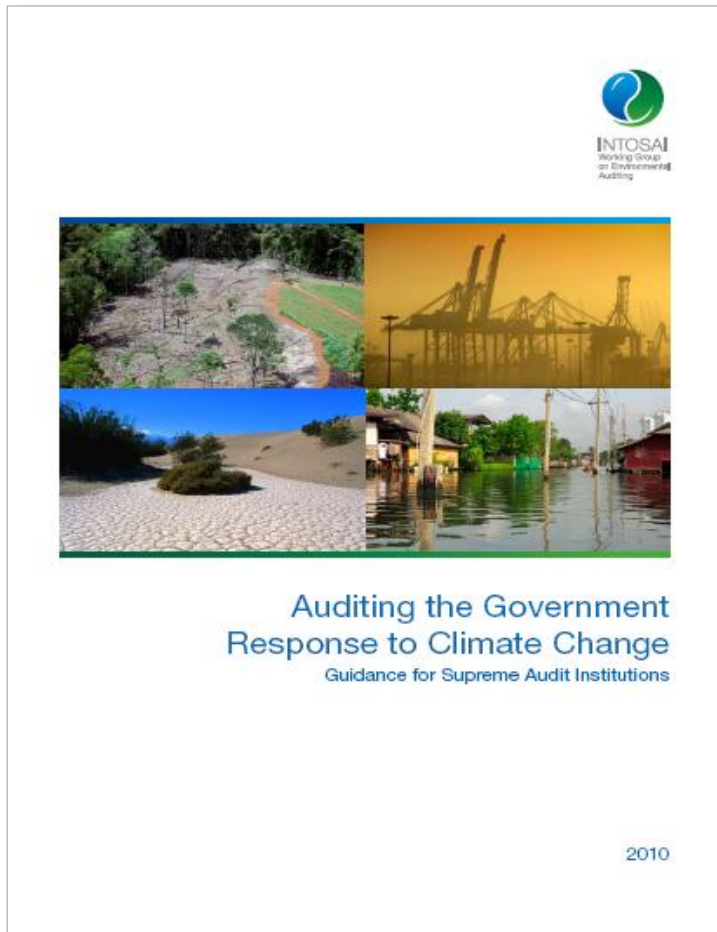
Participating SAIs located in the region

7



Guidance for SAs to conduct this audit

8



- This INTOSAI WGEA guidance assists with country topic selection through a staged approach.
- Also used the e-learning tool
- Subject matter expert from South Pacific Regional Environment Program
- Victorian A-G office (Australia) supported two teams under twinning arrangement
- Support from IDI and Asian Development Bank and the PASAI RWGEA

Approach

The approach for this cooperative audit was slightly different to previous cooperative audits undertaken by PASAI. The PASAI Congress approved an umbrella topic for the audit:

To assess the effectiveness of climate change adaptation and disaster risk reduction strategies, plans and financing in the ... sector of ...(country).

Topic selection

10

However, because different regions of the Pacific have different vulnerabilities to climate change effects and severe weather events such as typhoons and cyclones, the approach to this cooperative audit allowed SAIs to develop audit objectives and lines of enquiry relevant to their specific jurisdictions.

The audit was undertaken between March and October 2013.

The scope of individual SAI audits

11

While the cooperative audit allowed SAIs to develop audit objectives and lines of enquiry relevant to their specific jurisdictions, it is interesting to note that the 10 individual audits were clustered around three key themes:

- **preparedness** — Fiji, Palau and Samoa
- **planning for and managing climate change risks**, such as coastal erosion — Cook Islands, the FSM state of Kosrae and Tuvalu
- **managing climate change effects on food security** — the SAIs of Federated States of Micronesia (National Office), the FSM State of Pohnpei, Tonga and Solomon Islands

SAI audit objective and scope

12

SAI	Audit objective	Audit focus
Cook Islands	Effectiveness of Pacific Adaptation on Climate Change (PACC) in enhancing government's adaptive capacity to climate change.	Integrating climate change measures into coastal management
Fiji	To assess the effectiveness of the actions taken by key agencies in implementing flood risk reduction strategies by examining: <ol style="list-style-type: none"> 1. the institutional arrangements for the implementation of flood risk reduction strategies 2. implementation of flood risk reduction strategies 3. monitoring and progress reporting arrangements. 	Implementation of strategies to prepare for increased incidence of flooding in Fiji and its impact on communities
FSM National	To determine whether the concerned government entities have developed and implemented strategic action plan to address the impacts of climate change on food security in the FSM.	The impact of climate change on food security in FSM.
FSM — Kosrae	To assess Kosrae State's readiness for effects of climate change and disaster.	Whether there is a plan to mitigate climate change impact and disaster threats and the extent to which all parties are in compliance with the plan.
FSM — Pohnpei	To determine whether Pohnpei State is effectively managing and implementing strategies and plans to address the intrusion of salt water and its effect on the crops of the southern outer islands of Sapwuahfik, Nukuoro and Kapingamarangi.	Assessment of Pohnpei State Government's overall effectiveness in managing and responding to the impacts of climate change from Fiscal Years 2008 to 2012.

SAI objective and audit scope

SAI	Audit objective	Audit focus
Palau	To assess whether the Office of the Environmental Response and Coordination is performing its functions regarding climate change adaptation effectively, efficiently, and economically.	Focus on effectiveness of Office of the Environmental Response and Coordination's institutional arrangements and ability to respond to the future impacts of the climate change specifically on coastal erosion in the Republic of Palau.
Samoa	To assess the effectiveness of the management of climate change adaptation and disaster risk reduction programs and activities by the Ministry of Natural Resources and Environment.	Co-ordination, administration and reporting.
PICT 1	To assess the effectiveness of implementing climate change adaptation strategies, plans and financing to address the impact of climate change on the root crops of PICT 1 in the context of food security.	PACC projects are properly implemented. That community awareness was carried out among the three selected pilot sites for PACC demonstration activities.
PICT 2	To assess the effectiveness of climate change adaptation measures taken by the Ministry of Agriculture, Food, Forestry, and Fisheries and the Ministry of Land, Environment, Climate Change and Natural Resources on food security.	To verify existing policies regarding climate change adaptation measures on food security, key agencies responsible, effectiveness of actions implemented, as well as monitoring arrangements.
Tuvalu	To assess the effectiveness, efficiency, and economic of plans, policies and projects to protect Tuvalu's coast from sea-level rise and storm surge.	Coastal protection management.

Consolidated findings for regional report

Findings in three theme areas

14

- **Governance arrangements** (legal and policy frameworks, mainstreaming, vulnerability assessments and strategy development, and coordination between responsible agencies)
- **Project implementation** (project governance – coordination and project management, financing and human resource capacity constraints)
- **Monitoring and reporting**

Overall audit conclusion

15

Overall, the regional audit concluded that the Pacific Island states audited as part of the regional coordinated audit are not well placed to respond effectively to the threats and challenges arising from climate change.



Overall audit conclusion - cont

16

Climate change is the major environmental challenge in the Pacific today. Climate change adaptation falls into a difficult policy area, because it involves multiple players — public and private and many levels of government. It also requires both short-term and long-term activities and political will to maintain focus on the issue. As a result, a response mechanism such as a well-developed and evidence-based adaptation strategy is needed to moderate climate change impacts in individual Pacific Island states.

Funding is available under the United Nations Framework Convention on Climate Change (UNFCCC) to conduct vulnerability and risks assessments to gain an understanding of key sectoral risks and vulnerabilities (e.g. impacts on food supply, infrastructure, health, water resources, coastal systems and ecosystems etc.).

Although there are some examples of risk-based strategies provided in individual SAI reports, the majority of the audited states have not developed comprehensive adaptation strategies that are integrated with sustainable national development goals and plans, and that address key sectoral vulnerabilities.

Overall audit conclusion - planning

17

While a number of the audited countries are working towards integrating climate change and disaster risk management through Joint National Action Plans (JNAPs), progress is uneven.

The national audits also reveal that the necessary cross-sectoral management of climate changes risks through mainstreaming government responses across vulnerable sectors is not yet taking place.

Overall audit conclusion – governance

18

Program-level governance arrangements to support adaptation programs and projects funded by development partners, including sound management and project monitoring, have not been developed.

Overall audit conclusion - financing

19

The financing of adaptation measures in the Pacific is still vexed.

While international funds are available through various global agencies, the individual Pacific Island states audited generally lack the capacity to access and appropriately manage these funds through their national public financial management systems.

The ADB, in conjunction with Pacific Island leaders, is developing a program of assistance for member countries to access the ever increasing pool of climate-related financing. The program will assist a number of Pacific Island states to identify capacity gaps and barriers that impede the flow of climate finance and develop appropriate financing strategies to attract and manage these investments.

This program should provide a wealth of knowledge that can be transferred to other Pacific Island states assisting them to access and manage climate change financing.