

# Review of mainstreaming of climate change into national plans and policies:

## Republic of the Marshall Islands

November 2013

This summary is based on a consultancy report by **Planning 4 Sustainable Development**, and **The Four Assist Network of Experts**, commissioned by the Secretariat of the Pacific Community (SPC) through the Global Climate Change Alliance: Pacific Small Island States (GCCA:PSIS) project, funded by the European Union.

## Executive Summary

The purpose of this report is to summarise a review of the degree to which climate change has so far been mainstreamed in national strategic plans, policies and budgets, and – in a sectoral case study (presented in Annex 1) – the extent to which mainstreaming has translated to implementation.

Table 1 shows the criteria used in this review to assess the degree of mainstreaming of climate change, as well as some general remarks in relation to the review’s findings for the Republic of the Marshall Islands (RMI).

**Table 1. Criteria for mainstreaming and general findings of this assessment**

Criteria	Overall assessment
<p><b>Objectives related to climate change</b> are present in national development and environment policies, as well as in key sectoral policies</p>	<p>The national and sector plans and policies generally all make reference to climate change and some include specific climate change mainstreaming activities.</p> <p>RMI does not explicitly distinguish between mitigation and adaptation actions, but states its commitment to a low carbon future in its Climate Change Policy Framework. It distinguishes between adaptation and disaster preparedness. Its energy policy sets out mitigation strategies.</p>
<p><b>Responsibilities</b> for responding to climate change are clearly defined within government</p>	<p>Responsibilities for climate change are spread across several national committees and numerous agencies. Plans are underway to consolidate responsibilities, as the government is considering rolling the functions of OEPPC, EPA and MRD into a single ministry responsible for environment and climate change.</p>
<p><b>Specific climate-related activities</b> are outlined and planned for in these documents</p>	<p>Climate change priorities have been identified by the various sector plans in place. However, the lack of clear targets and monitoring and evaluation procedures means that these are not translated into ministerial operational plans.</p>
<p><b>Budgets</b> are clearly allocated for the above activities</p>	<p>It is unclear how resources for climate change are allocated through the budget-setting process. Further, the effectiveness of budget prioritisation is limited because climate change funding is to date provided by donors, and is therefore off-budget.</p>
<p><b>Monitoring and evaluation frameworks</b> are in place for following up on delivery of climate objectives and implementation of activities</p>	<p>Outcomes and targets tend to be broad and difficult to measure.</p>
<p>The various policies and plans are <b>coherent</b> on the issue of climate change</p>	<p>Linkages between the array of policies and plans are clear and often highlighted. All national climate change and sector plans make reference to Vision 2018.</p>
<p>The climate-related goals in these policies and plans have the <b>buy-in of different stakeholders</b>, meaning they are accepted, supported and promoted across</p>	<p>There is relatively wide engagement on climate change at the political apex, and coordination should improve with the forthcoming JNAP.</p>

government and within civil society and, ultimately, local communities	
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Mainstreaming of climate change is one of the key criteria set by the EU that must be met before countries might be able to access climate finance through the modality of budget support. Other important criteria relate to public financial management, specifically that countries have a stable macro-economic framework, a public finance reform process underway, and a clear and transparent budget process. Annex 3 of this report therefore also very briefly discusses the status of, and expected milestones for, RMI's public financial management roadmap.

### **Recommendations**

The following actions would improve mainstreaming efforts:

1. Development of sector plans as Vision 2018 Masterplans, with costed and prioritised activities and specific reference to climate change, where applicable (for example, climate proofing of energy investments).
2. Establishment of a monitoring and evaluation framework for Masterplans, linked to the medium-term budgetary framework.
3. Identification of climate-relevant expenditure within departmental budgets, and alignment of donor climate change funds with sector plans and capital and recurrent budgets.

## 1. Assessment of climate change mainstreaming

This profile examines how climate change has been mainstreamed in national and sector policies, plans and strategies in the Republic of the Marshall Islands (RMI). It explores the extent to which climate change objectives have been achieved, linkages between policies and climate change financing, and the extent to which policies are supported by institutional arrangements and financial and budget processes. It is based on publicly available reports and information that was availed by both regional and country representatives.

The following national plans and strategies were examined for this review:

- Vision 2018;
- Climate Change Roadmap 2010;
- Climate Change Policy Framework 2011;
- National Action Plan for Disaster Risk Management (DRM NAP) 2008-18;
- National Energy Policy 2009;
- National Water and Sanitation Policy 2013;
- Coastal Management Framework 2008;
- Draft Climate Change and Health Action Plan; and
- “Reimaanlok: Looking to the Future” National Conservation Area Plan 2008

It is noted that the following plans are currently being prepared, however these were unavailable for review, including the *Joint National Action Plan on Climate Change and Disaster Risk Management*, the *Water Resources Management Framework*, *National Waste Management Plan*, *National Strategic Development Plan*, and the *Overseas Development Assistance Policy and Implementation Plan*. The RMI government is also considering preparing a food security policy in 2014.

The summary below provides an overview of the degree to which climate change has been mainstreamed in these key documents, while further details are given in Annex 2.

### 1.1 Incorporation of climate change into national policy objectives

The national and sector plans and policies generally all make reference to climate change and some include specific climate change mainstreaming activities.

RMI does not explicitly distinguish between mitigation and adaptation actions in its Climate Change Policy Framework, but states its commitment to a low carbon future. It distinguishes between adaptation and disaster preparedness. Its energy policy sets out mitigation strategies.

Vision 2018 provides the overarching framework for achieving RMI’s development goals and explicitly acknowledges that climate change will significantly affect the country’s future development.

The purpose of the *Climate Change Policy Framework 2011* is to guide the development of adaptation and energy security measures and improve the preparedness of RMI to respond to climate variability. It has five strategic goals:

- Strengthen the enabling environment for climate change adaptation and mitigation;
- Support adaptation and risk reduction;
- Enhance energy security and support progress towards a low carbon future for RMI;
- Enhance disaster preparedness, response and recovery; and

- Improve community education and awareness.

The *National Action Plan for Disaster Risk Management 2008-18*, which will be superseded by the JNAP once it is finalized, represents the implementation of the *National Climate Change Policy Framework 2011*. It is a wide-ranging plan to improve resilience to climate change, which, as well as practical improvements to emergency operations and water and sewage management, includes proposals to improve the land-use planning framework and to diversify the economies of the outer islands. Its actions include establishing a national water planning and co-ordination committee. It is also a key document for funding negotiations with donors.

References to climate change in sector policies include:

- The *National Energy Policy 2009* states: “All new energy investment decisions and investments, including design and construction of new buildings, must consider resilience for adapting to climate change, which will also result in longer term savings to the government and people of the RMI”;
- The *National Water and Sanitation Policy 2013* highlights the importance of water and sanitation to health and quality of life, and their high vulnerability to the risks of climate change. Accordingly, water and sanitation are among the highest priorities of the RMI Government. Key actions include the preparation of Water Safety Plans for Ebeye and the outer islands, and water storage and early warning systems for households and businesses;
- The *Coastal Management Framework 2008* is a specific response to climate change, acknowledging that ‘The Marshalls will be increasingly battered by storms that in lower sea levels would not have threatened the coastal defence. There are only a few options for adaptation; build up shoreline defenses and elevating structures (only options in urban areas), pushing development and construction away from the coastal zone (still possible in rural areas) and (worst case) evacuation of affected areas’;
- The draft *Climate Change and Health Action Plan* is the implementation mechanism for the health objectives of the draft JNAP: assessing impacts and strengthening institutions.

## 1.2 Defined responsibilities for climate objectives

Responsibilities for climate change are spread across several national committees and numerous agencies. Plans are underway to consolidate responsibilities, as the government is considering rolling the functions of OEPPC, EPA and MRD into a single ministry responsible for environment and climate change.

The Office of Environmental Planning and Policy Co-ordination (OEPPC), in the Office of the President, is responsible for co-ordinating the development of climate change policies. It is also charged with responsibilities to review and identify benefits of multilateral treaties for the RMI, is the focal point for GEF and authorizes the development of GEF-funded support.

The *National Climate Change Policy Framework* contains outcomes for each strategic priority (which have some overlaps but are not entirely consistent with the implementation clusters of the roadmap), but does not set out any strategies or actions. It does refer to the specific targets in RMI’s *Energy Policy* and the importance of the DRM NAP in improving disaster preparedness.

The vehicles for implementation of the Climate Change Policy are the forthcoming JNAP and the *Climate Change Roadmap 2010*. The *Roadmap* establishes the institutional and strategic implementation framework for a co-ordinated multi-sectoral climate change response, by setting up the National Committee on Climate Change (NC3). The NC3 is chaired by the Chief Secretary of the OEPPC, with the Director as Vice-Chair, Secretary level representation from government, and members including relevant NGOs and CBOs. The Committee oversaw preparation of the JNAP but, due to the heavy workloads of Secretaries, it reportedly no longer meets regularly. The NC3 secretariat is hosted in the Chief Secretary’s office, together with the National Disaster Management Agency. The *Roadmap* advocates four implementation clusters, with action areas under each cluster,

as follows: (i) energy security and low-carbon future; (ii) adaptation for a climate-resilient future; (iii) disaster preparedness, risk reduction and response capacity; and (iv) education, awareness, community mobilization, culture and gender. It calls for the development of a Climate Action Matrix (this was unavailable for review).

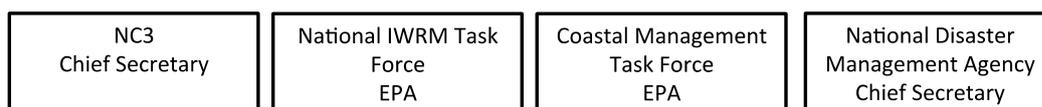
The DRM NAP sets out a matrix of actions and outputs, together with nominated lead agencies, and a Provisional Indicative Implementation Program (PIP) identifying priority actions for the three year period 2008-2010. It includes indicative costing of \$2,546,822 and a financial strategy to attract donor funding for implementation of the actions (around \$2 million will be required as additional funding, whilst the remaining \$0.5 million will come through RMI Government ‘in-kind’ provisions in personnel time). The National Disaster Agency, under the leadership of the Chief Secretary, is responsible for establishing arrangements for monitoring and review of the plan.

*Vision 2018* envisages the formulation of master plans and strategic action plans for ministries, agencies and atoll local governments, but the Peer Review 2012<sup>1</sup> notes that these have not materialized.

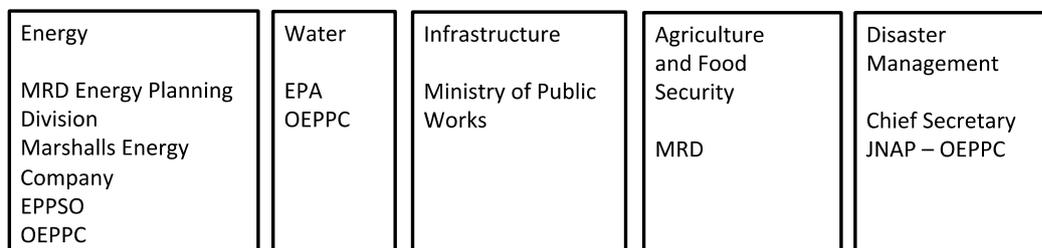
The EPA is responsible for administering the Environmental Protection Act and the Coast Conservation Act. It also manages the GEF Pacific Integrated Water Resource Management Project.

The Ministry of Resources and Development (MRD) is responsible for energy policy, coordination and some implementation, and is also responsible for agriculture and food security.

National committees with responsibility for climate change:



Sector functions and responsibilities:



International funding for climate change programs is channelled through the Ministry of Finance, although for some projects donors may provide the funding directly to the relevant Ministry.

### 1.3 Specific climate-related activities defined and planned for

Climate change priorities have been identified by the various sector plans in place. However, the lack of clear targets and monitoring and evaluation procedures means that these are not translated into ministerial operational plans.

With respect to sector plans:

- The *National Energy Policy* has an associated action plan, which sets out prioritized activities, with time frames, organizational responsibilities, performance indicators and budgets/potential

<sup>1</sup> PIF Forum Secretariat (2012). Republic of the Marshall Islands Peer Review Report.

sources of funding. The performance indicators tend to be in the form of broad outputs rather than measurable outcomes;

- The strategies in the *National Water and Sanitation Policy* are broad statements of intent, with associated outcomes. For climate change, this is that by 2015 all vulnerability risks rated ‘high’ and above are reduced from the national water and sanitation assessment; and
- The implementation strategies for the Coastal Management Framework 2008 in relation to climate change are to seek funding for constructing coastal defences, and to evaluate the impacts of quarry pools on wave energy.
- The *Health and Climate Change Action Plan 2011* (yet to be endorsed by Cabinet) is the implementation mechanism for the health objectives of the draft JNAP: assessing impacts and strengthening institutions.

#### **1.4 Budgets for implementation of climate objectives**

It is unclear how resources for climate change are allocated through the budget-setting process. Further, the effectiveness of budget prioritisation is limited because climate change funding is to date provided by donors, and is therefore off-budget.

Vision 2018 is the basis for medium term and sectoral planning. RMI has a medium term budget investment framework (MTBIF). It is not clear how resources for climate change are allocated through the budget-setting process. A key recommendation of the Peer Review 2012 was that RMI revive its M&E function to develop simple reporting systems linked to annual monitoring of a unified budget (i.e. unifying domestic planning and budgeting processes with those used for external sources) to help provide an annual review of the national plan.

Some Ministries produce medium-term plans and annual Portfolio Budget Statements, which link activities to resources (Peer Review 2012). Ministries submit annual line-item budgets, but these mostly do not capture the external funding sources (most of climate-change funding comes from external sources).

The Budget Co-ordination Committee makes recommendations to Cabinet on budget priorities.

#### **1.5 Frameworks for monitoring and reporting on implementation**

Outcomes and targets tend to be broad and difficult to measure.

The OEPPC is required to report to the President and Cabinet regularly and to the Nitijela annually, or more often if requested, in relation to the NC3. The NC3 also states that a comprehensive five-year review will be carried out, although it does not link monitoring and evaluation with sector plans.

As stated above, the National Disaster Agency is responsible for establishing arrangements for monitoring and review of the DRM NAP.

#### **1.6 Policy coherence and consistency**

Linkages between the array of policies and plans are clear and often highlighted. All national climate change and sector plans make reference to Vision 2018.

There is a good deal of consistency between the national and sector plans and policies. DRM NAP represents the implementation of the *National Climate Change Policy Framework*, which in turn reflects the Vision 18 in strengthening the institutional arrangements for responding to climate change.

In terms of donor activities, the major focus of programs is on water and energy. There are no explicit links to the achievement of outcomes prioritised in national policies and programs.

## **1.7 Stakeholder support and ownership**

There is relatively wide engagement on climate change at the political apex, and coordination should improve with the forthcoming JNAP.

There is high-level political commitment to demonstrate “climate leadership”, from the President, the Cabinet and the Nitijela, evidenced through the establishment of the NC3 (although it is acknowledged that this is not as effective as it could be). The RMI Government is currently considering a ministerial restructure to more effectively mainstream climate change into strategy and operations.

The RMI Government is active in regional initiatives. It hosted the 44<sup>th</sup> Pacific Island Forum meeting in September 2013, which included a panel discussion on climate change with international experts. The government has also made representations to the United Nations Security Council to argue that climate change is an issue that threatens global security and should be placed on the agenda of the Security Council.

Climate change is a key issue discussed at the annual local government meetings, at which the Mayors from the 24 Chapters are present.

There is increasing community, private sector and NGO engagement. Many of the national and sector plans and policies have common themes of community-based approaches and the need to foster the use of traditional knowledge.

## Annex 1

### Sector Evaluation – National Water and Sanitation Policy 2013

Water security is one of the most important priorities of the RMI Government in responding to the effects of climate change. It has developed a *National Water Resource Management Framework* (copy unavailable). A Water Summit, held in 2011, as part of RMI’s GEF-funded Integrated Water Resource Management (IWRM) project, identified a lack of co-ordination in the water and sanitation sectors. The *National Water and Sanitation Policy* sets out a strategic framework for action and specifies agency responsibilities.

However, at this stage there is no program of prioritized and costed actions. Effective implementation is dependent upon the establishment of the proposed National Water and Sanitation Office. The Government is currently considering proposals for rationalizing responsibilities for climate change and sector development, of which water and sanitation is one.

**Table A1. Review of Sector Plan**

Plan objectives and outcomes	
Are objectives clearly defined?	<p>There are five strategic goals:</p> <ul style="list-style-type: none"> <li>• Reduce the occurrence of waterborne illness;</li> <li>• Ensure water resource sustainability;</li> <li>• Ensure water and sanitation utilities are financially solvent;</li> <li>• Target service improvements at the disadvantaged;</li> <li>• Be resilient to climate variability and extreme events.</li> </ul>
How do the objectives relate to national CC priorities as expressed in the national climate change policy (if applicable) and the national development plan?	<p>Vision 2018 provides the overarching framework for achieving RMI’s development goals and explicitly acknowledges that climate change will significantly affect the country’s future development. Relevant goals are to take advantage of regional and international co-operation to address climate change issues, and to secure regional and international support to minimize the impacts of climate change.</p> <p>Food and water security is one of nine strategic climate change policy goals in the Climate Change Policy Framework.</p> <p>The National Action Plan for Disaster Risk Management 2008-18 includes proposals for practical improvements to emergency operations and water and sewage management</p>
Does the plan contain CC-related outcomes, targets and/or indicators?	<p>The policy contains a mix of action and policy based targets to be achieved by 2015. For example it aims to reduce occurrence of gastroenteritis by 50% and to ensure that 95% of households have access to improved water and sanitation.</p> <p>Policy based targets are for all water management organizations to have an integrated water resource plan, and all water and sanitation service organizations to be financially solvent.</p> <p>The climate change related outcome is that all safety risks are to be reduced to rating of “Medium” or lower from the Majuro water safety plan. It notes that a Water Safety Plan exists for Majuro but not for Ebeye or the outer islands.</p> <p>It also includes some practical strategies for dealing with drought and extreme weather, such as promoting minimum water storage capacities for residential, public and commercial buildings.</p>

	However, the majority of the plan is made of statements of intent, particularly in relation to monitoring, future action plan development and institutional changes. It recommends setting up a hierarchy of responsibility for water management, with a National Water and Sanitation Commission, a National Water and Sanitation Office, and community-based Water Committees.
Are actions prioritized, costed and sequenced?	A five year action plan is to be developed through ministries, statutory authorities and atoll local governments with programs, projects together with appropriate costing.
Consistency of donor programs with policy objectives	<p>There are a number of climate change funded programs addressing water issues. The policy itself was developed with technical assistance from GIZ, building on the IWRM Water Summit. The links to national water policy and planning are not explicit, although the programs are broadly consistent with RMI's overall development and climate change goals.</p> <p>The RMI has attempted to harmonize donor support through roundtable meetings. A donor roundtable was held two years ago, to confirm funding received and to identify future projects. The ODA policy and implementation plan, once finalized, will be used as basis for the next donor roundtable.</p>
<b>Plan development</b>	
Which ministries were involved in the development of the plan? Was the Ministry of Finance involved?	Policy development was co-ordinated by a National Water and Sanitation Task Force, consisting of representatives from government, agencies and community organizations.
<b>Implementation</b>	
Is there an implementation plan?	<p>The policy charges the yet to be established Water and Sanitation Commission to implement the policy, including:</p> <ul style="list-style-type: none"> <li>• Developing supporting regulations and legal Instruments;</li> <li>• Developing medium term comprehensive strategic plans with all water and sanitation service providers serving more than 5000 people;</li> <li>• Annual reviews of sector performance and investment alignment for all water and sanitation service providers serving more than 5000 people ;</li> <li>• Developing an annual water and sanitation action plan; and</li> <li>• Monitoring waterborne illness.</li> </ul>
Which agency/agencies are responsible for implementation?	<p>The policy sets out the specific responsibilities of the following agencies:</p> <p>Ministry of Health  Ministry of Public Works  Chief Secretary's Office  Environmental Protection Agency  Households  Public and Commercial Institutions</p>
How will the actions be financed?	Not addressed in the policy
How is the plan aligned with the budget process? Is there an example of a relevant ministry	This is not addressed in the policy, although it would be achieved through the proposed implementation arrangements.

operational plan?	
Is expenditure consistent with the plan?	There are no costings or schedule of actions in the policy
<b>Monitoring and evaluation</b>	
How are the outcomes monitored?	Not specified
What are the reporting arrangements?	Arrangements are not specified, although the National Water and Sanitation Office, once established, will be the key co-ordinating and reporting agency.
How are the results communicated/publicized?	Not specified
How often is the plan reviewed, and how?	Not specified

**Annex 2.**

**Evaluation of policies, plans and strategies**

CC specific objectives	Strategies	Outcomes/results	Implementation plan	Links to other plans re CC	Evidence of Mainstreaming
<b>Vision 2018</b>					
<p>Goal 1.2 – having adequately strengthened the institutional and procedural mechanism aimed at securing the maximum possible advantage of international and regional co-operation to minimize the adverse impact of global warming and climate change</p> <p>Goal 10 – Environmental Sustainability (ii) strengthening the relevant institutions and improve procedural mechanisms, so as to be able to secure the optimum support from both international and regional efforts, in minimizing the adverse impacts of climate change</p>	<p>Objective 1 – strengthening the capacity and ability to successfully manage our external economic and political relations and face the challenges arising from global integration, climate change and to benefit from technological advances</p> <p>Objective 1: to achieve maximum benefit from all Environmental global conventions through our active commitment and participation</p> <p>Objective 2: to develop and have in place a contingency/adaptation plan to counter the emerging threats resulting from the adverse effects of climate change including a National Disaster Plan</p>	<p>No specified outcomes or indicators</p>	<p>It envisages the formulation of master plans and strategic action plans for ministries, agencies and atoll local governments (Peer Review 2012 notes that these have not materialized)</p>	<p>Identifies sea level rise as the greatest threat to RMI and commitment to raise awareness of this threat amongst the community</p> <p>The National Climate Change Policy states that the concept of a joint plan to manage both climate and disaster risks is linked to Vision 2018 Objective 2</p>	<p>This is a general statement of commitment and sets the framework for policy development and planning.</p>
<b>Climate Change Roadmap 2010</b>					
<p>Safeguarding national assets for future generations</p>	<p>Action areas: <u>Energy:</u> Energy efficiency, renewables,</p>	<p>Establishment of National Climate Change Committee N3C</p>	<p>4 implementation clusters: • energy security and</p>	<p>Notes that actions must make best use of existing sectoral plans,</p>	

<p>Direct implementation, not just policies and plans</p> <p>Mainstreaming climate change into sectoral plans and policies</p> <p>Exploiting opportunities arising from international rights and obligations</p> <p>‘Whole of government’ approach, taking into account the unique characteristics and priorities of different areas</p> <p>Co-ordinated multi-sectoral approach</p> <p>Supporting legislative, regulatory and financial framework</p>	<p>biofuels, waste to energy, sectoral growth (emissions)</p> <p><u>Adaptation:</u></p> <p>Coastal interventions, hard and soft</p> <p>Water security, current infrastructure and future options</p> <p>Food security; climate-resilient crops and import reduction</p> <p>Marine conservation</p> <p>Natural resource mapping</p> <p>Waste management</p> <p>Adaptation for potential growth sectors</p> <p><u>Disaster preparedness:</u></p> <p>Climate-proof DRMP</p> <p>Health (vector- and water-borne disease)</p> <p>Zoning, planning and building codes</p> <p>Climate-proof infrastructure</p> <p>Insurance and micro-insurance</p> <p><u>Education and community awareness:</u></p> <p>Translation of CC terminology into Marshallese</p> <p>Curriculum programming</p> <p>Public participation and outreach</p> <p>Gender</p> <p>Consultation with traditional leaders and others</p> <p>Preservation of traditional knowledge</p>	<p>40% reduction in GHG (Energy Policy and Action Plan)</p> <p>conservation targets in RAP and MC</p>	<p>low carbon future</p> <ul style="list-style-type: none"> <li>• adaptation and resilience</li> <li>• disaster preparedness</li> <li>• education and community awareness</li> </ul> <p>Appendix B?</p> <p>Climate Action Matrix to be developed (unavailable)</p>	<p>institutions and governance arrangements, including:</p> <p>RMI National Energy Policy and Energy Taskforce;</p> <p>Micronesia Challenge, Reimaanlok National Conservation Area Plan and the Coastal Management Advisory Council (CMAC); and</p> <p>Disaster Response Management Plan and National Disaster Committee</p>	
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National Climate Change Policy Framework 2011					
<p>Strengthen enabling environment for CC mitigation and adaptation</p> <p>Adaptation and risk reduction for key sectors:</p> <p>Human resources</p> <p>Food and water security</p> <p>Biodiversity and ecosystem management</p> <p>Health</p> <p>Urban Planning and Infrastructure development</p> <p>Disaster risk management</p> <p>Land and coastal management, including land tenure</p> <p>Transport and communication</p> <p>Energy security and low-carbon future</p> <p>Disaster preparedness and recovery</p> <p>Education, awareness and community mobilization</p>	<p>Strengthen national and local governance and partnerships</p> <p>Streamline entry points for accessing and managing CC funds</p> <p>All CC priority areas</p> <p>Programs to improve livelihoods</p> <p>Improve data collection and storage</p> <p>Clean, reliable, affordable, accessible, environmentally appropriate and sustainable energy services</p> <p>Ensure national, local and community capacity to respond to disasters</p> <p>Strategic approach</p> <p>Mobilize public interest and engagement</p> <p>Improve understanding and use of CC information</p> <p>Raise awareness of CC policy</p> <p>Promote gender-based and traditional knowledge adaptation</p>	<p>Strengthened coordination and partnerships established</p> <p>Avenues for funding, including National Trust Fund</p> <p>Improved M&amp;E</p> <p>Better visibility and co-ordination of CC in development and budget planning</p> <p>CC considerations underpin all development planning</p> <p>Improved local capacity to undertake V&amp;A, CBA</p> <p>Strengthened community resilience, incl vulnerable groups</p> <p>Stakeholder involvement</p> <p>Accurate baseline data</p> <p>Integrated data management</p> <p>Effective implementation of Energy Policy; international funding secured</p> <p>Appropriate legislation and procedures</p> <p>Early warning systems in place</p> <p>Priority to vulnerable</p> <p>Support from external partners complements national arrangements</p> <p>Improved technical, scientific and management capacity</p> <p>Increased discourse on CC</p>	<p>The vehicles for implementation of the Climate Change Policy are the forthcoming JNAP and the Climate Change Roadmap Appendix B (this was unavailable)</p> <p>The NC3 is to oversee the development of the JNAP, which will identify priority actions needed under each strategic goal, and align these with actions already identified under the RMI National Action Plan for Disaster Risk Management 2008-2018.</p>	<p>The development of the CC policy was guided by the Vision 2018, sectoral policies and plans including the RMI Energy Policy and Action Plan, the RMI Disaster Risk Management National Action Plan 2008-2018, and the RMI Climate Change Roadmap 2010 (Appendix B)</p> <p>The policy refers specifically to the targets of the energy policy and the importance of the DRM NAP for disaster preparedness</p>	<p>Established OEPPC in President's Office to co-ordinate CC activities; acts as NC3 secretariat</p>

		Adaptation responses reflect improved understanding Effective CC communication strategies implemented			
<b>National Action Plan for Disaster Risk Management 2008-2018</b>					
Strengthen organizational arrangements and resource DRM activities	Review legislation and assess capacity	Strengthened organizational arrangements supported by policy and legislation	Establish a DRM Implementation Unit	Implementation of Climate Change Roadmap and Policy	DRR a direct response to climate change
Mainstream DRM in planning, decision-making and budgetary processes	Information, training and funding				
Improve capacity for emergency preparedness and response	Strengthen National Emergency Operations Centre and capacity at Ministry level	Decrease in contamination cases; decrease in reports of water shortages during drought	Financial strategy – basis for negotiation with donors		Plan Includes a specific goal to indicator: percentage of DRM NAP actions mainstreamed into key organizations' mandates
Strong and resilient early warning system	Contingency planning, training				
Access to safe and adequate clean water at all times	Improve sewage collection and treatment at Majuro and Ebeye; equip communities with the means to test water quality on outer islands	Monitoring program established Integrate DRR into EIA regulations	Communications strategy		
Sustainable development of the coastal area					
Reduce economic dependency of the outer islands	Diversify income generating activities Develop renewable energy sources	Increased levels of local food production Increased incomes			

<p>Improve understanding of linkages between zoning, building codes and vulnerability to disasters</p> <p>Raise awareness of DRM amongst the public</p>	<p>Community awareness; encourage lenders to include building code requirements in loan applications</p>	<p>Reduced resistance to initiatives to introduce planning</p>			
<p><b>National Energy Policy and Action Plan 2009</b></p>					
<p>Five specific areas for improvement:</p> <p>Petroleum and Liquid Fuels</p> <p>Electric Power, including introduction of tariffs</p> <p>Transport and Energy Use</p> <p>Energy Efficiency</p> <p>Renewable Energy</p>	<p>Specific climate change mainstreaming action:</p> <p>MRD's Energy Planning Division to work in close collaboration with the OEPPC in mainstreaming of climate change activities, particularly support for appropriate and practical RE/EE, capacity building for environmental sustainability and economic opportunities</p>	<p>Electrification of 100% of all urban households and 95% of rural outer atoll households by 2015</p> <p>Provision of 20% of energy through indigenous renewable resources by 2020</p> <p>Improving transport efficiency and lowering imported transport fuels by 20% by 2020</p> <p>Improved efficiency of energy use in 50% of households and businesses, and 75% of government buildings by 2020</p> <p>Reduce supply side energy losses from MEC by 20% by 2015</p>	<p>MRD is lead agency for overall implementation</p> <p>Action Plan includes specific actions, responsibility, time frame, performance indicators and budget/source of funding, although costings not included for many activities, particularly practical implementation, e.g. installation of solar power</p>	<p>Climate Change Roadmap and Policy</p>	<p>The Policy states:</p> <p>All new energy investment decisions and investments, including design and construction of new buildings, must consider resilience for adapting to climate change, which will also result in longer term savings to the government and people of the RMI</p> <p>MRD's Energy Planning Division to work in close collaboration with the OEPPC in mainstreaming of climate change activities, particularly support for appropriate and practical RE/EE, capacity building for environmental sustainability and</p>

					economic opportunities
<b>National Water and Sanitation Policy 2013</b>					
<p>Five goals:</p> <p>Reduce occurrence of water-borne illness</p> <p>Ensure water resource sustainability</p> <p>Ensure utilities are financially solvent</p> <p>Target the disadvantaged</p> <p>Be resilient to climate change variability and extreme events</p>	<p>Water quality improvement, monitoring and social marketing</p> <p>Protection and effective management of groundwater</p> <p>Cost recovery through equitable tariff system</p> <p>Investment prioritized for those lacking access to water and where water quality is lower</p> <p>Risk reduction and monitoring</p> <p>All water and sanitation providers serving populations of 5,000 and above to prepare medium term strategic plans</p>	<p>Reduce occurrence of gastroenteritis by 50% by 2015</p> <p>By 2015 all water management organizations have an integrated water resource plan</p> <p>By 2015 all water and sanitation organizations are financially solvent</p> <p>By 2015 the 20% most disadvantaged households have access to improved water and sanitation</p> <p>By 2015 all vulnerability risks rated 'high' or above are reduced from the national water and sanitation assessment</p>	<p>Allocates responsibility for specific actions to agencies/households/public and commercial institutions</p> <p>Action and investment plan to be developed.</p>	<p>The Policy is intended to be one of the Masterplans for the purposes of implementing Vision 2018</p>	<p>Water Safety Plans for Majuro, Ebeye and the Outer Islands to assess risks and impacts of climate change events</p> <p>Practical and specific activities to strengthen resilience of households and businesses, including water storage, early warning systems and investigation of inter-island transfer</p>
<b>Coastal Management Framework 2008</b>					
<p>Identifies main climate change threat as damage by storm surges, with limited adaptation options:</p> <ul style="list-style-type: none"> <li>• build up shoreline defences and elevating structures (urban areas)</li> <li>• push development and construction away from the coastal zone (rural areas)</li> <li>• evacuation of affected areas (worst case)</li> </ul>	<p>Ensure as far as possible that large development projects are built to handle the inevitable flooding and higher wave heights facilitated by sea level rise</p> <p>Consider building all houses to handle flooding scenarios associated with sea level rise</p> <p>Set-backs are crucial for rural areas and outer islands where urban crowding has yet to exist</p> <p>Undertake study to evaluate the impact of quarry pools on wave energy as it is transmitted to the shoreline immediately behind</p>		<p>Seek funding for a substantial increase in coastal defences, primarily around the urban atolls</p>	<p>This is also seen as a foreign policy issue</p> <p>Aggregate for defence should be extracted in a sustainable manner (blasting of reef rock removes essential protection from the near shore)</p>	<p>Impacts of climate change built into planning and development processes</p>

	the pool.				
<b>National Biodiversity Strategy and Action Plan 2000</b>					
<p>Four key result areas:</p> <p>Awareness raising and capacity building in the community</p> <p>Strengthen education systems</p> <p>Review legislation</p> <p>Research and development</p>	<p>Activate traditional ‘mo’ conservation sites</p> <p>Imposition of fines and penalties</p> <p>Tree and crop planting</p> <p>Sustainable fishing practices</p> <p>Conservation of genetic diversity</p> <p>Protection of intellectual property rights</p>	<p>Have in place legislation and regulatory framework for biosafety</p>	<p>Requires a revival of the traditional system in conjunction with the modern system of government</p> <p>Action plan nominates responsible agencies for implementing actions</p> <p>Recommends monitoring at community, local government and national level</p>	<p>No specific link, but protection of biodiversity fulfills both mitigation and adaptation functions</p>	<p>Community-based approach</p>
<b>“Reimaanlok: Looking to the Future” National Conservation Area Plan 2008</b>					
<p>Identifies three types of conservation targets:</p> <p>Coarse-scale Conservation Targets/ Environmental Units: Broad categorization of habitats and ecosystems that encompass all the biota of the Marshall Islands</p> <p>Fine-scale Conservation Targets/ Special Features: Important areas for species targets, rare or imperiled communities, places of cultural significance</p> <p>Species Conservation Targets: Threatened species, endemic/ restricted range, flagship species, species of cultural significance and species of economic importance.</p>	<p>Sets out process for:</p> <p>Project Initiation</p> <p>Project scoping and set-up</p> <p>Building commitment</p> <p>Collecting and managing information</p> <p>Developing the management plan</p> <p>Sign-off</p> <p>Monitoring, evaluation and adaptive management</p> <p>Maintaining commitment</p>	<p>Includes specific targets for the different conservation target types</p>	<p>Sets out national scale, atoll scale and socio-economic design principles</p> <p>Lead role for Coastal Management Advisory Council in supporting conservation project teams</p> <p>Local and traditional knowledge is critical to effective conservation</p>	<p>Represents a response to climate change insofar as it affects biodiversity</p>	<p>Community-based approach</p>

National Climate Change and Health Action Plan 2011					
<p>Identifies climate sensitive health risks and needs for RMI: Water-, food- and vector-borne diseases, respiratory diseases and malnutrition</p>	<p>Focus initially on high risk diseases            Community engagement in adaptation activities            Public education, health promotion and effective health communication            Educate health professionals on climate change</p>	<p>Vaccines, sewage treatment, water quality testing, health assistants, education and awareness            Hire inspectors, regular monitoring of businesses            Education and outreach            Mosquito surveillance and control; community education            Early detection, increased eligibility of contacts for treatment            Alcohol, tobacco and betel nut control; education            Improve early detection, encourage sunglasses use            Education            Hire appropriate staff; crisis assessment and outreach; education            Family planning (although notes potential conflict with churches)            Training            Public information</p>	<p>Identify a group of key individuals within MoH responsible for implementation and review            Two nominated people to act as focal points for climate change and health            Regular discussions on climate-sensitive diseases</p>	<p>Represents the means by which the MOH contributes to the JNAP</p>	<p>The Plan states that:            The health sector, particularly public health, should be acknowledged as a key stakeholder in climate change adaptation activities in RMI            Consideration should be given to reducing the carbon emissions of the health sector as part of a broader climate change mitigation strategy for RMI</p>

## **Annex 3**

### **Public financial management roadmap: summary of the progress of PFM systems**

In addition to mainstreaming of climate change, three other criteria are important as precursors to being considered for budget support by international development assistance partners, namely a stable macro economic framework, a public finance reform process underway, and a clear and transparent budget process. These all relate to public financial management.

The RMI Government has undertaken a PEFA assessment and prepared a draft Public Financial Management Roadmap. The PEFA assessment and the PFM reform program that presumably addressed the PFM issues was not available to the consultants..

In respect to the Macroeconomic sustainability of the Marshall Islands the 2011 Article IV consultation of the IMF found that the Islands were fiscally unsustainable unless tangible progress was made in addressing fiscal and structural reforms to the economy. In particular this required comprehensive taxation reform to commence in the 2012FY. Similarly the legislative framework governing PFM required amendment, particularly with respect to procurement.

It was not possible to ascertain the extent of the reforms that has been undertaken or the degree in which Government policy is focussed on wealth and job creation. It appears that investment in natural capital is prioritized due to Education and Health being linked to the provision of Compact funds.

As reported earlier there is a high degree of consistency between national and sector plans and policies with respect to climate change; however these are not well linked to the budget. It was not possible to undertake further assessment of the budget in respect to enactment and reporting however it is assumed that this information is available in the PEFA assessment.

A peer review was completed in June 2012. It notes that the master plans and Ministry level plans envisaged in Vision 2018 as the means by which the vision would be turned into action and budgets has not materialized.

It found that “as in much of the Pacific, there is no track record of consistent monitoring of a set of high priority outcomes.” It notes that a good deal of reporting is done, but this is mainly at activity level and produced to comply with the requirements of external funders.

The budget was regarded as having poor transparency and it suggests standardizing reporting to development partners to make it part of routine reporting by Ministries and agencies within the Government’s national budget processes. It also suggested strengthening the centralized monitoring and evaluation function. The IMF consultation also recommended greater external audit capability is required and this has been endorsed by the Government.

Recommendations to the RMI Government included:

- Develop single, simplified planning, budgeting and reporting templates; and that the Budget Co-ordination Committee assume responsibility for the entire budget and implementation cycle, including assessment of results
- Develop a PFM roadmap by the end of 2012
- Strengthen medium term economic and fiscal forecasting for the FY 2014 budget cycle
- Set up an Aid Management Unit in one of the central agencies with a mandate to draw up a development assistance policy (this is being done)
- Institute regular informal collective consultation with development partners (this will be arranged once the policy is in place)

There was also a recommendation to development partners to increase efforts to improve co-ordination among development partners and with government in RMI.

The RMI Government has been using the accounting software 4Gov for nearly ten years. The Ministry of Finance considers that the program is adequate for the country’s accounting requirements,

but that it is underutilized by Ministries. It also needs ‘tweaking’ to be able to accommodate the different accounting and reporting requirements by donors.

The Ministry of Finance has volunteered to host a Monitoring and Evaluation Unit, but lacks the capacity to establish and maintain one.

#### *Modalities*

The RMI receives direct budget support through the Compact. Reference was made to also receiving direct budget support from the World Bank and ADB, however evidence of this could be found. It is expecting budget support from the EU in 2014 through the European Development Fund (EDF).

The RMI government is disappointed that it has not been able to access climate change funding through the Adaptation Fund: working through regional entities is very costly and there is not enough capacity at the national level to undertake the application process. It is considering seeking National Implementing Entity status, which would enable the Ministry of Finance to be the central agency for receiving and disbursing climate change funding, with the OEPPC as the implementing agency. The government is also exploring options to use the Marshall Islands Intergenerational Trust Fund more effectively for climate change adaptation activities.

A summary of the progress of PEFA assessments, reviews and PFM Roadmaps is presented in the table below.

<b>PEFA &amp; PFM Roadmaps/status</b>	<b>Reviews/outcomes</b>	<b>Progress/proposed actions</b>	<b>Trust/other relevant funds</b>
<p>Draft PFM roadmap not available</p> <p>PEFA assessment (to be supplied)</p> <p>Peer review 2012</p> <p>Key recommendation that RMI revive its M&amp;E function to develop simple reporting systems linked to annual monitoring of unified budget to help provide annual review of national plan</p>	<p>Peer review 2012</p> <p>Master plans and Ministry level plans envisaged in Vision 2018 as the means by which the vision would be turned into action and budgets has not materialized, with no track record of consistent monitoring of a set of high priority outcomes. Reporting is mainly at activity level and produced to comply with the requirements of external funders.</p>	<p>Peer review 2012:</p> <p>Standardize reporting to development partners</p> <p>Develop single, simplified planning, budgeting and reporting templates; and that the Budget Co-ordination Committee assume responsibility for the entire budget and implementation cycle, including assessment of results</p> <p>PFTAC country strategy 2012-14: moving towards medium-term budgeting, modernization of legislation and financial instructions and strengthened cash management</p>	<p>Marshall Islands intergenerational Trust Fund</p> <p>Govt of RMI exploring options for using the fund to channel CC funding (anecdotal evidence from country visit)</p>