

CONCEPT IDEA NOTE FOR CLIMATE RELATED ACTIVITIES THAT MAY BE FUNDABLE BY THE GREEN CLIMATE FUND AND OTHER FINANCIAL SOURCES

Title of Concept OR Project Idea:

Feasibility for establishing a financing mechanism to support mitigation and adaptation activities at community and SME's levels

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<p>Indicate the areas for the Concept, which is based upon the CKI Country Program thematic areas</p>	<p><u>Mitigation:</u> Reduced emissions from:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Energy access and power generation <input type="checkbox"/> Low emission transport <input type="checkbox"/> Buildings, cities and industries and appliances <input type="checkbox"/> Forestry and land use <p><u>Adaptation:</u> Increased resilience of:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Most vulnerable people and communities <input type="checkbox"/> Health and well-being, and food and water security <input type="checkbox"/> Infrastructure and built environment <input checked="" type="checkbox"/> Ecosystem and ecosystem services
<p>Indicative total project cost</p>	<p>Amount: NZD _____1.0 million_____</p>

Project/Programme rationale, objectives and approach of programme/project (max 100 words)

Brief summary of the problem statement and climate rationale, objective and selected implementation approach, including the executing entity(ies) and other implementing partners.

The Cook Islands is vulnerable to extreme climate events such as increased flooding, extended drought periods, sea level rise, super cyclones and increased temperatures. Given the thin spread of the population mainly of the elderly, women and young children, the compounded impacts of climate change will further increase their vulnerability and severely constrain their efforts for survival.

The project addresses the vulnerabilities of these small communities to enable them to carry out small scale mitigation and adaptation initiatives using ecosystems based approach to build and strengthen their capacities and resilience to the severe effects of climate change and super cyclones.

In order to ensure the sustainability and transformational result, the project will be executed by the Climate change office utilising existing government mechanisms relevant NGOs and partners.

Component 1 The establishment of a small scale grant facility for resilient livelihoods in the Cook Islands.

Strengthening the ability of vulnerable communities to better prepare themselves for super cyclones and extreme climate events through access to direct climate finance.

Component 2 Knowledge management and information support mechanisms

Training for capacity building of beneficiaries as well as relevant implementing institutions and agencies to better manage projects, information and communication.

Context and baseline (max. 2 pages)

Describe the climate vulnerabilities and impacts, GHG emissions profile, and mitigation and adaptation needs that the prospective intervention is envisaged to address.

According to the IPCC emissions scenarios of low (B1), medium (A1B) and high (A2), for the years 2030, 2055 and 2090, the Cook Islands can expect more severe cyclones with less frequency. Increase in average maximum wind speed between 2% and 11% will severely devastate the fragile infrastructures and natural systems of these small islands. Global temperature increase under a high emissions scenario, ranging between 0.5-0.9 degrees Celsius in the north and 0.4-1.0 degrees Celsius in the southern Cook Islands will severely destroy the fragile coral reef systems of the whole of Cook Islands, given that the recent ocean warming in 2015/16 caused widespread coral bleaching across all of Cook Islands including clams in Manihiki and Penryhn. Frequency of such events will drastically reduce the recovery rate of coral reef systems and exacerbate their vulnerability. Increasing air temperatures and high precipitation are ideal breeding conditions for mosquitoes and expected to spike vector borne diseases besides water borne and heat related illnesses affecting mainly the elderly and younger children. Sea level rise predicted from 3-4mm per year will severely impact the livelihoods of low lying atoll communities. Scientists have also recorded the increased velocity of the easterlies within the last 20 years expected to generate stronger and higher wave actions. Already these communities are experiencing regular king tides and storm surge events causing crop damage, affecting drinking water holes, ecosystems, domestic dwellings and public infrastructures. Although the Cook Islands total global emissions is negligible at 00.00012%, the Cook Islands has taken great strides to do its fair share to reducing greenhouse gas emissions. According to the IPCC Report 2018, these events are predicted to exacerbate when global efforts to achieve the 1.5 temperature level fails.

The Cook Islands has a resident population of just over 14,000 (Census Report 2016) spread over 12 small islands with a land area of 236.7square kilometers and 1.8million square kilometers of the South Pacific ocean. Seventy five percent of the population is concentrated on mainland Rarotonga with the rest spread thinly across

the other 11 inhabited islands. Livelihoods of the outer islands is very limited to small artisan activities for women, and family fishing and agriculture activities.

Given these conditions and with anticipated potential threats of super cyclones and severe climate events the abilities and capacities of the communities are inadequate to cope.

It is anticipated that vulnerable communities will benefit through direct access to climate grants, easing financial burdens of building and strengthening their resilience to sudden and slow onset climate events. Ecosystem based approach for adaptation will also greatly benefit local communities dependent on these systems for their livelihoods through direct climate grant to strengthen traditional conservation practices (rau'i).

This project will address the following areas.

Component 1 The establishment of a small scale grant facility for resilient livelihoods in the Cook Islands.

The intention is to establish the grant facility from GCF fund that will focus on grant financing to develop and strengthen resilient livelihoods of vulnerable communities and households. Besides grant funding it will also provide technical assistance to enable private sector to foster climate investments. Hopefully will generate scaled up opportunities on a national and regional basis. Support sourced from GCF will be directed towards three grant specific areas.

Grants under investment area 1 – targeting marginalized communities, elderly and women-lead households.

A maximum amount of NZ\$10k will be awarded to successful proponents towards their efforts to building and strengthening their resilience by adopting climate smart technologies and ecosystem based approach to adaptation. Supporting such initiatives will reap multiple benefits such as; safer buildings, access to clean drinking water, food security and reduced fossil fuel dependency.

Grants under investment area 2 – small scale home gardens and creative enterprises

This investment component supports families, community groups, and organisations with home garden initiatives through crop production for food security. This could involve climate smart technologies such as sprinkler water systems, climate resilient crops, shade structures, water tanks or structures, tree planting, organic and relevant climate technologies in order to minimize climate damage to agriculture initiatives strengthening food security and economic stability. Providing support to restoration and improvement of natural materials used in craft enterprises. Application of relevant climate technologies that will increase capacity of the creative industries to leverage the utilization of the natural resources in a sustainable manner. Creative industries also offers economic stability for vulnerable households thus strengthening their ability to cope with the stresses of climate change.

Grants under investment area 3 – small scale ecosystems based approach to adaptation for communities, vulnerable households and NGOs

This component will support initiatives for conservation and sustainable use of ecosystems including traditional conservation practices (rau'i) with assessments, monitoring and management plans to strengthen the resilience of the natural systems to mitigate the impacts of climate change. This also includes restoration of degraded areas, eradication of invasive vines, reforestation with native trees and promotion of traditional agriculture practices. A healthy and strong natural system ensures ongoing sustenance for the human race throughout disasters and severe climate events.

Component 2 Knowledge management and information support mechanisms

This component is to strengthen the capacities of the different actors and agencies to shift the mindset from climate risk to climate resilience. It will also focus on strengthening the technical organisations and environmental agencies re; environmental skills, assessments, monitoring, traditional values and

practices and developing effective communication tools to manage and disseminate information both locally and internationally. It will also assess and strengthen existing communications outlets in order to collaborate on information management such as the EMCI geoportal and NES database rather than recreating the wheel.

Please indicate how the project fits in with the country's national priorities and its full ownership of the concept. Is the project/programme directly contributing to the country's INDC/NDC or national climate strategies or other plans such as NAMAs, NAPs or equivalent? If so, please describe which priorities identified in these documents the proposed project is aiming to address and/or improve.

The Cook Islands, National Vision articulated in Te Kaveinga Nui *"To enjoy the highest quality of life consistent with the aspirations of our people, and in harmony with our culture and environment"* with the National Sustainable Development Plan (NSDP) 2016-2020 been set up pursuant to this vision. All sector and government agencies planning are aligned to the 16 goals of the NSDP which are the national priorities. Goals 6 *'To improve access to affordable, reliable, sustainable modern energy and transport'* and 13 *'Strengthen resilience to combat the impacts of climate change and natural disasters'* both directly links to climate change mitigation and adaptation actions of this concept note whilst the remaining goals are all interlinked.

Furthermore, the Climate Change National Policy 2018-2028 Goal 2 states *'To strengthen resilience to the impacts of climate change through a coordinated, inclusive culturally appropriate adaptation and mitigation programme'* recognising inclusiveness of the vulnerable and adopting culturally appropriate climate actions mentioned in this concept note. Policy statement D also refers to *'build the resilience of socioeconomic ecological systems, including through economic diversification and sustainable management of natural resources'*. Policy statement E also recognises that *'participation of the private sector and civil society as significant aspects of achieving national climate change goals and to seek ways to incentivise their participation'*. This concept note captures these areas and recognises the need to spread assistance to all sectors of society in order to promote climate change and prioritise actions at the grassroots level.

The Cook Islands Nationally Determined Contributions NDCs stresses the nation's intentions to explore further adaptation actions subject to financing opportunities and to further reduce its emissions through the transport sector. This concept idea is a means of fulfilling the adaptation aspects of the NDCs on a small community and household based scale including traditional practices as an adaptation measure.

The Cook Islands 2nd Joint National Action Plan 2016-2020, *'Are We Resilient'* adheres to *Strengthen climate and disaster resilience to protect lives, livelihoods, economic infrastructure, cultural and environmental assets in a collaborative sectoral approach'* a strong statement forging a collaborated and creative approach to dealing with the many devastating effects of climate change particularly affecting the most vulnerable which this project intends to assist.

The National Environment Strategic Action Framework 2005–2009 (NESAF) provides guidance and direction for achieving the sustainable social and economic progress for the Cook Islands, utilising its natural resources and environment wisely. The third goal of the NESAF is to increase resilience by strengthening national capacities to combat climate change, climate variability and adaptation and mitigation.

The relationship of this concept note to national frameworks and priorities clearly identifies the urgency to move on this in order to adequately prepare these vulnerable communities and the people of the Cook Islands to potential super cyclones and adverse impacts of climate change.

Describe the main root causes and barriers (social, gender, fiscal, regulatory, technological, financial, ecological, institutional, etc.) that need to be addressed.

Social structures in the Cook Islands particularly of small island communities has largely changed since international travel became easily accessible to Cook Islanders. Mobility amongst the population contributed to depopulation of the islands and disrupted traditional family units that many elderly are left on their own or with grandchildren whilst the working age have moved away seeking job opportunities. Many women have outlived their partners and hence there is a trend of women lead households emerging in the whole of Cook Islands.

Climate technology is a new concept and still evolving as new technologies are introduced to the market, therefore awareness and education is required to introduce climate technologies to the population.

Changes in the social structures also creates financial strains on the new heads of the household as there is no alternative support system in the country. This project recognizes these trends and attempts to close the gaps although minimal, but hopefully it will transpire into a widespread solution that will be replicated by other agencies.

Where relevant, and particularly for private sector project/programme, please describe the key characteristics and dynamics of the sector or market in which the project/programme will operate.

Engagement among the NDA, AE, and/or other relevant stakeholders in the country (max ½ page)

Please describe how engagement among the NDA, AE and/or other relevant stakeholders in the country has taken place and what further engagement will be undertaken as the concept is developed into a funding proposal.

NDA, AE, community and NGO engagement was fostered at appropriate stages of the process and intends to strengthen throughout the development stages when fully transformed into a full proposal.

Sustainability and replicability of the project (exit strategy) (max. 1 page)

Please explain how the project/programme sustainability will be ensured in the long run and how this will be monitored, after the project/programme is implemented with support from the GCF and other sources.

This project will be implemented using existing government systems through the Climate Change office which has institutional knowledge and knowhow to mobilise necessary stakeholders and identify suitable partners to collaborate with. Since projects are targeting small communities and households, there is already a sense of ownership instigated with proponents. Capacity training throughout the project life span will ensure beneficiaries are well equipped to adapt and deal with oncoming climate risks at their own initiatives and pace after project completion. It is anticipated that the beneficiaries will spread and share their experiences with neighbours and friends through lessons learned. Knowledge management will capture lessons learned from this project to be used for future policies and plans.

For non-grant instruments, explain how the capital invested will be repaid and over what duration of time.

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Assessed By and Date:

Recommendation: