

Long WORKSHOP REPORT FORM

Number and title of workshop: Climate Change Adaptation Means Investing in Water Management

Coordinators: Teun Bastemeijer – Water Integrity Network

Date and time: Wednesday 10th November, 17.30 – 19.30

Moderator: Ravi Narayanan

Rapporteurs: Teun Bastemeijer/Susannah Kinghan

Panellists (Name, institution, title)

Susie Kinghan, Water Integrity Network, Consultant
Iftekhar Zaman, TI – Bangladesh, Executive Director
Clarisse Kehler Siebert, Stockholm Environment Institute, Research Fellow
Håkan Tropp, UNDP Governance Facility at SIWI, Director

Summary

This workshop focussed on how climate change adaptation in the water sector may increase levels of corruption and open doors for new risks. Pressure to spend new money quickly, a lack of thorough oversight and poor participatory processes are all major factors at play. Presentations given at the workshop covered a range of issues; Susie Kinghan from the Water Integrity Network highlighted the need for more integrity around the dialogue on climate change and the risk of both discourse and data being wilfully abused. Iftekhar Zaman discussed his experiences as director of TI-Bangladesh, calling for citizen empowerment and the need for people to demand accountability of their governments, greater participation in decision making, risks of political capture and the possibility of using current anti-corruption tools such as citizen report cards. Clarisse Kehler Siebert from Stockholm Environment Institute presented a framework for more transparent climate change funding channels and Håkan Tropp from the UNDP recommended that developing countries focus on adaptation rather than mitigation, and discussed the risks of adaptation projects being 'white elephants' and the use of cost-benefit analyses for projects to reduce this.

Topics covered by the audience questions were wide ranging and one important issued was the responsibility of the media in climate change discussion. Previous experience has shown that the media does not always act with integrity, combined with the difficulty of both sourcing and presenting complex science and engaging the public. There was a strong consensus that the role of the media was crucial to raise awareness and mobilise action for adaptation. The question was also raised about environmental pollution and corruption, and how to integrate environmental protection into adaptation. The power of lobbying which stalls any action being taken on climate adaptation was also flagged as an old problem which continues to take place. Finally it was asked how to open up dialogue between different states who share water resources but have different interests, especially where one player is much larger and more powerful than the other.

Summary of presentations

Susie Kinghan:

The water sector already faces crisis: A fifth of the world's population live in areas of physical water scarcity and 2.6 billion lack access to basic sanitation. Even without considering impacts of climate change these problems are increasing, particularly in developing countries where increasing populations, changing diets, economic development are putting pressure on scarce water resources. This water crisis is a crisis of governance with huge amounts of money and water lost to illicit practices, inappropriate projects and poor management. Thus, problems in the water sector cannot be solved alone by finance and investment in infrastructure rather there must be investment in governance, capacities, transparency, participation and accountability. This also applies to climate change adaptation which must include investment in building capacities, improving governance and ensuring participation and accountability. These key elements are at the heart of all processes.

Risks and vulnerabilities due to climate change create a sense of urgency to invest in adaptation and increasing resilience which may result in increased levels of corruption in the water sector. Firstly, more money means more corruption risks and the financial flows of money for adaptation may circumvent existing monitoring channels. Pressure to spend money quickly may have further negative consequences, reducing room for participatory processes. The complexity of climate change data also leaves room for distortion of information as well as capture and abuse of the discourse surrounding climate change which can be inaccessible to some groups due to the technical nature of the subject.

To ensure adaptation measures in the water sector are effective and appropriate, all processes must build in anti-corruption measures and ensure those affected are involved in decision making and dialogue, as well as having access to information which allows them to monitor and hold those in power to account. Effective adaptation can often include low-cost, low regret local measures such as building small dams, raising toilets above flood levels, or improving governance structures.

Iftekhar Zaman: Bangladesh is one of the countries most vulnerable to climate change. Increasing frequency of floods and tropical cyclones means that impacts will be serious and fatal; Bangladesh has no margin for error when it comes to climate adaptation, and time is short. Combined with this, Bangladesh faces huge problems of corruption which skews governance at every level. Experiences from TI-Bangladesh show that the only way to reduce corruption is by empowering citizens to demand accountability from their governments. Collective action is absolutely key and the power to demand change lies in numbers. At TI-Bangladesh, anti-corruption strategies are already being used such as citizen report cards which gives people a mechanism to give feedback on projects being delivered by the government. Another example is that of Integrity Pacts, which aim at reducing corruption in contracting processes where all parties from the public and private agree not to offer or accept bribes or be involved in corrupt practices throughout the contract process. These examples of anti-corruption tools can be applied to climate adaptation projects where citizens must participate to oversee appropriate projects are selected, financial processes are monitored and where promises are made, there is real delivery on the ground.

Håkan Tropp: Currently only 5% of climate change funding is allocated to adaptation but regardless of the success of mitigation efforts to curb global warming, serious effects of climate change will be felt and so delaying adaptation measures will mean we face enormous problems in the next 15 to 20 years. Most developing countries should only focus on adapting to climate change rather than mitigation efforts because their contribution to emissions is so low and delaying adaptation measures will have fatal consequences.

Corruption in the water sector is already a major problem and is at the root of the water crisis which sees water resources wasted, polluted and over-priced, leaving millions without access to potable water or sanitation. There are a number of key reasons which makes the water sector particularly vulnerable to corruption, including the large sums of money involved in water investments. Water is often viewed as a technical issue whose problems can be solved by infrastructure and engineering. This means that questions of governance are often overlooked and proper oversight mechanisms are not put into place, leaving room for distortion and corruption.

Climate change adaptation is a pressing and adaptation means that there will be huge new financial investments in the water sector as well as new infrastructure, opening up risks for greater corruption. To ensure effective adaptation, anti-corruption measure must be built in to ensure transparency of climate change financing, as well as accountable, participatory decision making on adaptation projects. Without this, there is a risk of a new generation of 'white elephants' in the water sector; costly, unsustainable infrastructure which allow those involved to collude for their own profit, where in fact lower cost, more appropriate solutions exist. One way to combat this is to carry out cost-benefit analysis of different options which optimize social benefits and reduce room for distortion.

Clarisse Kehler Siebert

The architecture for climate change financing for adaptation is complex and disparate. There are many uncertainties surrounding the roles of different actors as well as the sources of funding, the channels through which that money will go, where it should go, and how it will be used. The relationship between those providing funds and the allocation of funds also raises difficult issues of equity and trust. The climate financing process can conceptually be divided into four categories: Generation, Governance, Delivery and Use.

Generation of climate financing must be considered both in the long at short term. Questions of integrity arise around sources of funding, as money can be promised without being delivered, or old funding can be repackaged rather than being truly 'new and additional'. The role of the private sector in generating funds also needs to be considered. In the **governance** of climate funds there are currently a multitude of actors (multilaterals, bilaterals, special climate funds) and the interaction of different funds is an important consideration. At this stage, accountability and transparency in the governance of funds must be demanded, with one option being a centralised global finance registry. At the **delivery** of climate finance, many questions arise over where funds are to be allocated and who is given priority or eligible for funding. Terms such as 'most vulnerable' are yet undefined and open to debate and are linked to issues of equity. **In-country use** of adaptation funding can also be linked to conditionalities which demand transparency in the implementation of projects, but also leads to the question of who decides how the money is spent. At this level civil society can act as a watchdog to demand accountability in implementation.

This 'story' of financing was then tested on challenges for adaptation in the water sector, drawing on water policy in Thailand and questions of water governance in Israel-Palestine.

Main Outputs

The workshop focussed on two main themes: transparency of funding for climate adaptation in the water sector and the need for more integrity surrounding discourse in climate change discussions.

Transparency financial channels are needed, where the accountability change begins with the source of funds and goes right down to implementation. To avoid 'white elephant' projects, multiple investment options must be developed in a transparent way including social and environmental cost-benefit analysis. Groups affected by adaptation must be involved in the decision making processes: citizen participation is key to ensure no regrets strategies are developed and investment decisions are based on integrity and equity principles.

There is a risk that the discourse on climate change can be distorted for private gain as the complexity of the issue makes oversight difficult. There are many factors to consider, such as the reliability and integrity of the science, the power of corporations lobbying governments for their own agenda and the capacity of citizens to participate in dialogue on climate change. It was highlighted that the media have a major role to play in disseminating information and citizens themselves must also demand access to discourse on climate change.

The question was also raised of how to open up dialogue between states where water resources are shared and adaptation affects both countries. This is a challenging issue with no simple solution, but mutual agreements where both sides feel the benefits of cooperation are crucial.

Recommendations, Follow-up Actions

Groups and organisations concerned with ensuring effective climate governance should collaborate to mobilise national and international campaigns to promote integrity and honesty of the climate change discourse. A key focus should be promoting integrity in climate change adaptation dialogue involving those who are affected to ensure equitable access to information as well capacities to develop no regrets approaches and sustainable solutions. This means creating guidelines on how to carrying out participatory decision making processes for adaptation projects, as well as developing the capacity of civil society to be engaged in climate change discussions.

Transparency and accountability in allocations of funds must be demanded at the highest level, such as with the funding bodies under the UNFCCC and other multilateral and bilateral donors.

Finally efforts should be made to train and involve journalists and the media to translate knowledge and science into accessible information.

Highlights

- Climate adaptation in the water needs to move up the climate agenda, particularly for developing countries that will feel the greatest impacts and have the lowest capacities to adapt.
- What role can the media play in contributing to understanding of climate change, and promoting integrity and accountability?
- Integrity of climate change adaptation dialogue means access of those affected to that dialogue, not just politicians and scientists, NGOs and activists.
- “Climate change adaptation may be the new white elephant.” (Håkan Tropp).
- Delaying adaptation measures means heading for big problems in the next 15 to 20 years. Only 5% of current climate funding is allocated to adaptation. Most developing countries should only focus on adaptation as investing in mitigation is meaningless considering their contribution to emissions.
- There should be a turning away from the politics of plunder (Iftekhar Zaman).
- How can we establish dialogue about the Water in the Mekong river? Nobody talks with China! (Mr. Van Dong, Cambodia).
- Is there such thing as accessible science? (Ravi Narayanan, India).