



GLOBAL
RESILIENCE
PARTNERSHIP



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GOOD GOVERNANCE AND TRANSBOUNDARY COLLABORATION FOR CLIMATE CHANGE RESILIENCE

Talanoa Dialogue Input

APRIL 2018



Mercy Corps Indonesia



How do we get there?

Mercy Corps maintains a permanent presence in 38 of the UNFCCC's Non-Annex I Countries, 15 of which are classified as a Least Developed Country (LDC), where we work to alleviate suffering, poverty and oppression by helping people build secure, productive and just communities. Essential to achieving this mission is assuring that communities sustainably develop in a manner that is climate-resilient.

Mercy Corps' work addresses the natural consequences of climate challenges while acknowledging the social, economic and political realities underpinning vulnerability. Our Climate Resilient Development (CRD) approach guides us to integrate climate adaptation into long-term development objectives. This approach builds climate resilience through strategies that reduce poverty -including measures aimed at increasing food security, enhancing social cohesion and strengthening governance inclusive of those now marginalized and impoverished.

Broadly, we focus on increasing the use of climate information in decision-making at all levels; integrating climate change adaptation and disaster risk reduction (DRR) into policies across scales; fostering "climate-smart" economic opportunities; addressing climate drivers of conflict; and improving individual and community capacity to cope with climate change. In addition to adaptation benefits, most of these strategies lead to positive emission reduction outcomes as well, for example through work that establishes more sustainable natural resource management practices and policies which reduce or even halt drivers of deforestation. To achieve these outcomes, Mercy Corps works with private, civic, and public sector actors to ultimately reduce vulnerability to climate risk, thereby contributing to global actions and strategies which are essential to both pre-and-post-2020 benchmarks.

It is clear that climate change impacts, such as severe drought, floods and sea level rise, will continue to negatively impact people's lives, even under our most ambitious mitigation strategies. The Talanoa Dialogue provides an opportunity to raise the ambition on adaptation, alongside mitigation – and non-state actors like Mercy Corps are well positioned to support parties in this endeavor. The UN climate change process should continue to support this work by establishing the necessary enabling environment, including development of global policy frameworks, national adaptation planning processes and strengthening adaptation financing.

Asia Vision

Why Focus on Governance and Transboundary Coordination?

In Indonesia, one of the world's most rapidly urbanizing countries, 65% of the population will live in cities by 2025. Like in many other Asian countries, climate change poses special concerns for Indonesia's rapidly growing cities, where large populations, extensive poverty, and social marginalization—as well as an already high level of exposure to climatic extremes—create risks for

many. Efforts are underway to meet the challenge of mainstreaming climate change resilience into local and national policy.

The combination of urbanization and climate change presents a complex problem which can be analyzed and tackled using a systems approach. While climate change adaptation and urban resilience can appear purely technical or scientific, the integration of these concepts into governance structures and planning processes is inherently political. Addressing this nexus requires a vastly improved decision-making process. With that understanding, Mercy Corps believes that successfully building climate change resilience should enhance the capacity of relevant actors and institutions to incorporate climate resilience thinking into city planning, budgeting, and overall systems to manage the process of urbanization.

Work needs to focus on dealing with complex power dynamics, and on mainstreaming climate change resilience into policy. Our experience in Indonesia has shown that climate resilience can be achieved through a governance and information-based model that includes mobilizing and building consensus among diverse stakeholders, enhancing access to information for decision-making, and testing solutions that motivate follow-on investments. There is also growing understanding that cities do not operate in a silo and that is important to work outside their administrative boundaries in order to address many of the underlying causes of climate risks.

ACCCRN and TRANSFORM in Indonesia

The following case studies from Semarang, Indonesia, serve to help move conversations on climate change resilience from vision to practice. They illustrate how Mercy Corps and its partners practically apply a systems approach to programming.

Building a foundation for effective collaboration at the city level

As a coastal area, Semarang City – the capital of Central Java Province, with a population of over 1.5 million people – reflects the context of a growing number of Asian cities suffering from various types of floods, including urban, tidal and flash floods. Industrial and agricultural expansion, land degradation, urban migration, and the effects of climate change have combined to increase severity of and exposure to flood. Poor and marginalized populations whose livelihoods are more dependent on the environment, and who have fewer resources and less capacity to mitigate and adapt to climate change are particularly affected.

Through the *Rockefeller Foundation-funded Asian Cities Climate Change Resilience Network (ACCCRN)* project, Mercy Corps has worked with the Semarang City Government, universities, private sector entities and community action groups to study and raise awareness around the city's vulnerabilities, to support development of resilience strategies and to mobilize city projects across flood prone areas since 2008.

ACCCRN applied an innovative, governance-based approach through two levels of engagement with the understanding that resilience is a dynamic, complex and iterative process. The first engagement was local, through self-run City Teams. Mercy Corps' Indonesian governance experts worked with local allies to build robust, inclusive City Teams who focused not just on climate change,

but on the planning, budgeting and development functions that impact long-term decision-making around climate change resilience. By breaking down silos between a range of stakeholders, City Teams collaborated to design scalable pilot interventions at the local level, as well as directly with the national Government. This practical approach also allowed for the City Teams to gain skills through analysis, planning and implementation.

At the national level, Mercy Corps engaged in government advocacy through a well-established network of similar-minded organizations, including climate change and development practitioners, donors, civil society and the private sector. ACCCRN has grown this network into a respected space for collaboration that has resulted in influencing national climate change conversations and policies with a range of national government ministries. For example, by catalyzing the development of the Ministerial Regulation on Climate Change Adaptation Mainstreaming and by supporting the development of the Resilience Framework for the National Action Plan on Climate Change Adaptation.

ACCCRN has helped create new state - civil society coalitions that are more effectively demanding state accountability on issues ranging from environmental management to urban services. A Climate Center that disseminates data and information on climate change to the public has also been established to cater to the needs expressed by Civil Society Organizations (CSOs), universities, and research institutions. As such, the project introduced new ways of generating and sharing data that allow it to be used more widely and effectively.

Mercy Corps' interventions have resulted in the City Government adopting a multi-stakeholder approach to urban planning and incorporating climate resilience-building initiatives into city development plans, strategies and budgets. Initiatives in Semarang have gained the attention of 17 other cities in Indonesia who are seeking to replicate its approaches.

Transboundary coordination: working beyond the city boundaries

Since 2017, and under the *Global Resilience Partnership' Water Window Challenge funded by the Zurich Foundation*, Mercy Corps was able to scale its ACCCRN approach from a city to a river basin level, engaging government, communities, and the private sector upstream and outside of the city's administrative boundaries to tackle the major drivers of downstream flood risk. The project "*Transboundary flood risk management through governance and innovative information technology*" (*TRANSFORM*), is based on an understanding that although the impacts of flooding are most acutely felt in downstream Semarang City, river flood events are largely generated in the upstream areas outside the City boundaries.

Garang River, one of the largest rivers flowing through the basin, originates in Semarang Regency and flows into Semarang City, emptying into the Java Sea. During the rainy season, major precipitation events generate excess volumes of runoff across the catchment. Flooding has become increasingly severe, causing economic and social losses.

Due to rapid urbanization, communities in Semarang city are moving upstream to Semarang Regency where rents are cheaper. As a result, rice paddy fields are turned into built-up areas for new housing development as well as business and industrial area expansion, thus reducing water catchment capacity. Deforestation, a rapidly degrading environment and shifting land use all exacerbate flood risk in the basin, especially in downstream areas.

To enable institutional and community stakeholders to better manage flood risks at the basin scale, TRANSFORM strengthens a transboundary coordination forum for flood management. Through multi-stakeholder dialogues both at the Forum and community level, members are able to identify challenges and shared interests.

Mercy Corps' experience in Semarang City affirmed that effective coordination requires information to motivate engagement and investment in flood resilience solutions. Project partner AtmaConnect (Atma) introduced their cutting-edge, user-friendly app to provide actionable, real-time information. EcoMetrix Solutions Group (ESG), another partner, brought in their free and publicly available Ecosystems Services Identification and Inventory (ESII) Tool, allowing decision makers to rapidly and inexpensively measure the ecological benefits of upstream flood management activities. In addition, Mercy Corps applied the Zurich Flood Resilience Measurement Tool, currently under pilot in Semarang, to help measure the impact of the combined interventions under the project.

Empowered with the latest information technology for decision-making on flood risk reduction, stakeholders are able to make informed, targeted and effective investments in flood resilience across the basin. TRANSFORM provides technical support on the design of priority interventions that can be taken forward by government, communities and the private sector. Once proven successful, pilot investments have the potential to attract further investments and highlight paths forward for continued transboundary cooperation at scale.

Transboundary cooperation and eco-system based approaches remain crucial in supporting the efforts of the government, as well as communities and businesses, to reduce climate risk. The Transboundary Forum can play an important role in climate change resilience, providing a platform where information and best practices are exchanged, policies are harmonized, new collaboration mechanisms are discussed, and interventions are decided upon.

The 'value proposition' of this project revolves around transferring investments away from traditional preparedness and response to preventative approaches for flood risk reduction. Mercy Corps believes that taking a systems approach through ecosystems management and transboundary coordination is essential to help communities better cope with and adapt to climate change impacts.

Opportunities to Scale up Action

The lessons learned through the implementation of ACCCRN and TRANSFORM reflect principles that Mercy Corps believes should be considered by others developing climate resilience strategies in order to scale-up action:

Policy

- › **Governance is central to climate resilience.** Enhancing governance is much more than institutional-level "capacity building". The ability of key stakeholders and institutions to understand and adapt to climate change is fundamental to resilience. Equally important is building the social capital of civil society and political champions to influence decision-making processes that impact urban resilience.

- › **Maintaining a focus on vulnerable citizens.** There is an understanding that resilience does not automatically imply social equity nor challenge inequality. Factors contributing to resilience arise from the social, political, spatial and economic aspects of the system where resilience is being applied. Incorporating the most vulnerable populations into planning is the only way to ensure that climate resilience is inclusive. The urban poor are often most vulnerable to shocks and stresses, and therefore need to be at the center of climate resilience strategies.
- › **Understanding the broader policy environment.** Support should be given to national governments in ‘connecting the dots’ between local and global policy processes to identify the strategic opportunities to promote the climate change resilience agenda. It is important to conduct an in-depth contextual policy analysis during the early stages of engagement (at every level), and work with partners who have the capability to use these analyses to inform strategic opportunities.

Public and private financing

- › **Integrating climate resilience in budgeting processes.** Building climate change resilience should not be seen as a list of projects looking for financial support. Resilience thinking and frameworks need to be applied to existing budgeting processes. Furthermore, budgets need to be balanced between large scale projects that are often prioritized and localized small-scale community-level interventions to reach the most vulnerable.
- › **Finding the right incentives matters.** Articulating a “shared-value proposition” and identifying the right incentives to bring relevant stakeholders to the table is crucial. Engaging the private sector can be challenging, particularly where businesses are driving risks. There is a need to better understand how they perceive and act upon the risks identified, and where they can function as agents of positive change.

Other

- › **Transformational change requires time and flexibility.** Successfully building climate change resilience means mainstreaming it into government policy and other less tangible processes, like trust, local engagement and empowerment, to create a productive and durable space for transformational change. All of the above require consistent, long term efforts.
- › **Timing and scale-up.** Climate resilience efforts need to be scaled-up strategically, both at the right time and in the right way. Mercy Corps built a case for our work at the local level first by modelling small projects. We then used network-building strategies to scale our influence at regional, basin and national levels. These final steps remain critical for sustainability.
- › **Process is more important than projects.** Indicators for success in the development arena continue to favor quantitative and material deliverables. Instead, climate change resilience should be considered more than a catalogue of projects. Programs need to move away from discrete, technical approaches to addressing complex challenges and fostering processes that support an understanding of investments and trade-offs in the context of long-term

trends and future scenarios. Mercy Corps was effective in using projects to keep stakeholders engaged and build a case for our work, but we considered new processes—such as the development of City Teams—the ultimate end goal.

- › **Tools for decision making.** Tools such as cost-benefit analysis and geographic information systems offer a great opportunity for collecting data, sharing information and building evidence on economic, ecological and social risks and benefits. Data plays an important role, not only in advocating for climate change resilience but also in gaining buy-in from relevant stakeholders. Tools need to be accessible and easy to use in order to be effective.

Impact on non-Party stakeholders if these actions by national level governments and the UN Climate Change process and other opportunities are implemented and how much further they could go

Within the context of international policy, and specifically in planning resilient and inclusive strategies, Article 13-15 of the Paris Agreement outlines how non-state actors can play a dynamic and important role. Specifically, there are several action recommendations that non-state actors can take to assist in the formation of sustainable and effective policies. These actions can take the form of:

- › Changing the nature of the public/private engagement - non-state actors have demonstrated their ability to bring companies to the table and create economic incentives to engage them in transformative action;
- › Creating platforms that allow communities to have their voices heard, especially when the government and private sector are not acting in the best interests of resilience building;
- › Supporting the government with developing new models for collaboration and engagement with different stakeholders;
- › Reinforcing epistemic communities and empowering constituencies that may help to shift the political economy in a desired direction;
- › Offering independent and complementary insights and expertise into the progress made by Parties in implementing and enhancing the ambition of the Paris Agreement;
- › Helping ensure that the outcomes of review processes are taken up within countries, and
- › Holding Parties to account.



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About Mercy Corps

Mercy Corps is a leading global organization powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action — helping people triumph over adversity and build stronger communities from within. Now, and for the future.



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