

Climate Finance for WASH: Papua New Guinea



Water, sanitation and hygiene (WASH) is integral to supporting community climate resilience that ensures no one is left behind. Inclusive, climate-resilient WASH goes beyond infrastructure to ensure that solutions meet the needs of the most marginalised and can continue functioning in the face of climate hazards.

Accessing climate adaptation financing for WASH projects has been a challenge for civil society organisations (CSOs) due to a number of procedural, design and systemic barriers. This brief provides a short overview of the climate finance available for the WASH sector in Papua New Guinea (PNG). It identifies the main barriers to climate finance access and highlights proven pathways to funding. It also recommends ways for CSOs and funders (primarily donor governments and multilateral development banks) to improve access to funds for climate-resilient WASH. It is one of a series of briefs covering several countries in the Asia and Pacific region. It is based on analysis of secondary data from a desk review and interviews with key climate finance stakeholders¹ in late 2022.

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Introduction

Papua New Guinea's first Nationally Determined Contribution (NDC), submitted in 2015,² and its current enhanced edition in 2020³ both acknowledge water and sanitation is a priority area for adaptation in the country. PNG has little local climate finance, so is highly reliant on international contributions for its adaptation and mitigation efforts. It is estimated that between 2014 and 2019, PNG received USD629.2 million for adaptation and multi-focus climate projects and USD351.1 million for mitigation projects from bilateral and multilateral funders.⁴ PNG's National Adaptation Plan lists water and sanitation as one of nine priority focus areas. However, the plan contains minimal focus on WASH specifically, and it is unclear how it will translate into activities and budget allocations.



Papua New Guinea is the world's third largest island country, and the largest and most populous Pacific Island nation, with the majority of its more than eight million people living in rural areas, some of which are extremely remote and difficult to access

Overview of PNG's climate finance for WASH

Civil society organisations can access funding in PNG from multilateral donors, bilateral partnerships and private sector organisations. Some examples of the major funds operating in PNG are described below.

Large global funds

The Green Climate Fund

- The Green Climate Fund's (GCF) Readiness and Preparatory Support Programme includes a PNG Country Programme that targets WASH. However, WASH is mentioned briefly, without any specific information about desired outcomes.
- The Climate Change and Development Authority acts as the GCF's national designated authority in PNG. The GCF has approved USD3.8 million in readiness support (funding that supports countries prepare for larger climate investment).

Regional funds

The Asian Development Bank

- The Asian Development Bank (ADB) provided USD382 million to PNG over 2017–21.⁵ The projects funded focus on providing infrastructure, conducting training activities around WASH, and building the capacity of government for project implementation.

Bilateral funds

- The Australian Government's Department of Foreign Affairs and Trade (DFAT) offers several partnership opportunities for CSOs. The Water for Women Fund⁶ is part of Australia's commitment to the High-Level Panel on Water. It is investing AUD154.9 million over seven years to improve the health, gender equality and well-being of Asian and Pacific communities by strengthening inclusive, climate-resilient WASH service delivery and systems. The Fund will continue until the end of 2024.
- The Western Province Partnership, one of three programs under the Australian PNG Subnational Program, has allocated approximately one quarter of its annual funding (AUD15 million) to community education on WASH and maintenance of WASH facilities.
- The Incentive Fund,⁷ currently in its fourth phase, offers grants in multiple sectors, including WASH. Several WASH projects have been executed through this fund; they aim to increase access to WASH infrastructure and increase awareness of the benefits of improved WASH services and behaviour change.

Other funding opportunities

The European Union

- The European Union's Multiannual Indicative Programme (MIP) 2021-2027⁸ targets WASH for human development, health and education. The programme focuses on improving access to water and sanitation facilities, enhancing institutional and technical capabilities, and increasing awareness of WASH practices. The MIP has a budget of EUR23 million for WASH, to be reviewed in 2024.



A woman accesses water from a new tap stand in a village on Kairiru Island, East Sepik Province, installed by WaterAid as part of their [Water for Women project](#)
Credit: WaterAid / Dion Kombeng

Barriers to CSOs accessing finance

Top three barriers to CSOs

- 1. Long and complex funding processes of many donors.** Most of the CSOs interviewed mentioned that donors have resource-intensive and rigid proposal processes requiring significant amounts of documentation and specialised knowledge. This makes them a low-value proposition for many under-resourced CSOs. Moreover, local CSOs that are connected to remote communities in PNG and would be competent to execute projects are often unsuccessful in securing funding. One donor mentioned that CSOs can have otherwise reasonable proposals disqualified due to minor deviations from strict procurement protocols. Finally, low English language literacy can hinder local CSOs' understanding of proposal requirements and guidelines.
- 2. Lack of information about donors and funding opportunities.** For funding information, most CSOs rely on their international office, government departments, or other organisations with which they have worked. However, organisations that do not have offices in Port Moresby have much less exposure to funding opportunities. They also face difficulties in accessing information and building relationships, reducing their ability to obtain funding. Conversely, some donors interviewed acknowledged that they are often unaware of who else they should approach and instead provide funding based on existing relationships.
- 3. Under-resourced government departments.** PNG has a complex political structure, with CSOs relying heavily on their relationships with the national government to access funding. However, poor transparency and limited engagement with governments make it difficult to identify future opportunities and align proposals with government priorities. Fostering strong relationships with government departments is difficult, especially for smaller CSOs that lack the resources and time needed for business development and relationship building.

Recommendations and opportunities

For civil society

- CSOs should increase their visibility and improve access to information about funding opportunities by building strong relationships with the PNG Government. Multilateral banks engage directly with governments to identify needs and projects, and governments are more likely to call upon CSOs with which they have strong, trusted relationships. CSOs should incorporate relationship building with governments into their annual business development plans and allocate dedicated resources. This will also increase CSOs' ability to align their proposals with government priorities and advocate for direct funding for WASH projects.
- CSOs should incorporate engagement with the private sector, and where relevant their foundations, into their multi-annual business development strategies. The private sector in PNG — including major companies such as Coca-Cola, Digicel and Schneider Electric — offers significant but largely unexplored opportunities for engagement on climate-resilient WASH issues. CSOs should aim to secure funding for small-scale WASH projects that generate evidence for scaling up; success stories should be shared with the broader sector.
- CSO collaboration with complementary organisations to create an ecosystem services approach that incorporates WASH is another pathway to broader climate funding. Such an approach could include nature-based solutions, disaster management and food security. One CSO revealed that collaborating with an international non-governmental organisation on a nature-based solutions project helped expand the organisation's knowledge, which subsequently helped it secure new funding.

For more information, see Water for Women's finance brief for civil society organisations: [Improving opportunities for civil society to access climate adaptation funding for WASH](#)

Pathways to access funding



— Provide clear evidence of climate-related need for proposed project interventions



— Support sector-wide efforts to build evidence about WASH's contribution to resilience and mitigation and the impacts of climate hazards on WASH



— Link proposed activities directly to climate mitigation or adaptation outcomes



— Check what else is being done and reference and build on existing climate programs



— Directly align proposals with national targets and plans



— Seek to collaborate with other sectors so that WASH is included as part of larger programmes



— Build and maintain relationships with donors and advocate for inclusion of WASH in future programs

For funders

- WASH should be recognised as an integral component of any climate adaptation project, as well as programs that incorporate disaster management, food security and environmental conservation. Recognising these linked issues through an ecosystem-based approach will promote CSOs' ability to improve gender equality, education, health and economic livelihoods.
- Flexibility in project design is vital, especially for climate-focused projects, because results such as behaviour change, greater water availability and improved data management often take time to materialise. Flexibility also allows projects to be led by the community and meet their needs. Short timeframes with rigid structures and pre-defined activities deprive communities and marginalised groups of opportunities and time to discuss and identify their needs, reducing or eliminating their engagement.

- Local skill sets should be valued; this may require modification of proposal requirements to improve local CSOs' chances of securing funds for climate-resilient WASH projects. Funders should also consider supporting resource-poor but project-capable organisations to submit high-quality proposals. This support could include training on proposal submission, assistance with English language and translation, and capacity building on monitoring and evaluation.

For more information, see Water for Women's finance brief for funders: [Accelerating adaptation finance for climate-resilient WASH in Asia and the Pacific](#)

Conclusion

Climate financing for WASH projects is relatively new and scarce in PNG. Most funding is directed to large infrastructure or climate mitigation projects. Funding opportunities for climate-resilient WASH are difficult to access due to PNG's complex socio-political environment.

While donors and governments are increasingly recognising the impact of climate change on water security, accessing funding for WASH remains hard. CSOs in PNG should prioritise relationship building with governments to advocate for WASH, and engage with the private sector for additional funding opportunities. Furthermore, both donors and CSOs should consider WASH as a part of a larger scope of work by partnering with organisations with complementary skill sets. It is also critical for funders to support local CSOs by modifying procurement processes and facilitating proposal development if required.

Endnotes

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Header image: An aerial view of Garam Primary School in Marobe Province, where World Vision has installed new water tanks for improved WASH as part of the Water for Women supported WASH consortium [WaSH Em i Bikpela Samting](#). Credit: World Vision

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Limitations: The finance information in this brief was collected from online sources and interviews and was correct when compiled. Unfortunately, reporting of WASH and climate finance in Papua New Guinea is not comprehensive; most figures provided represent total funds invested or available.



Learn more
wfw.fund/WASHFinancing

About Water for Women

Water for Women supports improved health, gender equality and wellbeing in Asian and Pacific communities through socially inclusive and climate-resilient water, sanitation and hygiene (WASH) projects and research. It is the Australian Government's flagship WASH program, investing AUD154.9 million over seven years. Water for Women is partnering with civil society organisations, research organisations and local partners to deliver 40 projects in 16 countries from 2018 to 2024. Knowledge and learning are central to Water for Women, positioning the Fund as an important contributor to global knowledge development and sharing in inclusive and climate-resilient WASH. Water for Women's Learning Agenda promotes collaborative learning, knowledge development and sharing to support long-term transformative change to WASH policy and practice globally.

Find out more at
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[waterforwomenfund.org](https://www.waterforwomenfund.org)



Building Climate Change
Resilience and Adaptation
in Inclusive WASH

