

NWP workshop on adaptation planning and practices

Rome, Italy
10 - 12 September 2007

Recent, ongoing and expected developments on adaptation under the UNFCCC (since the IPCC AR4 to Bali)

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Other adaptation activities under the UNFCCC

- NWP process is complemented by:
 - Decision 1/CP.10 (adaptation to adverse impacts of climate change)
 - Funding for adaptation (Financial mechanism; SCCF and LDCF; Adaptation Fund);
 - The work of expert groups **LEG** (Least Developed Countries Expert Group), **CGE** (Consultative Group of Experts) and the **EGTT** (Expert Group on Technology Transfer);
 - NAPAs, NCs and TNAs;
 - Capacity-building activities
 - Dialogue on future international cooperation to address climate change.

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Adaptation under the UNFCCC

Adaptation continues to gain importance in the UNFCCC process, through SBSTA and SBI conclusions, COP and CMP decisions, increased attention to IPCC reports, and by the consideration of adaptation as a building block of any future international cooperation to address climate change.

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IPCC AR4: Some effects of climate change

- Rise in temperature by between **1.8 to 4.0°C** by 2100
- **Impacts on agriculture that lead to diminished food security**, drying of continental interiors
- Glaciers and ice caps continue to melt - **rise in sea levels**
- **Coastal zones** exposed to **increased risks**
- **Stress on water resources** – security implications
- **Significant health** impacts
- Increase of **intensity and frequency of extreme events**

Climate change is not only an “environmental” issue but also a key development issue!

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AR4 WGII: Current knowledge about responding climate change

- Some adaptation is occurring now, to observed projected climate change, but on a very limited basis.
- A wide array of adaptation options are available, but more extensive adaptation than is currently occurring is required to reduce vulnerability to future climate change. There are barriers, limits and costs, but these are not fully understood.
- Many impacts can be avoided, reduced or delayed by mitigation.
- Impacts of climate change will vary regionally but, aggregated and discounted to the present, they are very likely to impose net annual costs which will increase over time as global temperatures increase.

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SBI 26 Outcomes - Adaptation under 1/CP.10

SBI 26 agreed to continue deliberations at SBI 27, taking into consideration outcomes of the adaptation regional workshops and elements discussed at the session.

Ambassador Asadi will speak on these outcomes tomorrow.

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Meeting of the Chairs of the Convention Expert Groups at SBSTA 26

- The Chair of the SBSTA noted that the expert groups were keen to contribute to the NWP by participation in related workshops and consideration of the synthesis report on adaptation planning and practices to be prepared for SBSTA27. These experts groups will continue their useful work on adaptation, mainly focused on developing countries needs.
- Technologies for adaptation is an emerging area of work for the EGTT
- Introduction of tools/methodologies on 'bottom-up approaches' and climate risk assessments in preparing NCs are some of tasks envisioned for future work of the CGE.
- LEG supports and assesses the NAPA process, especially promoting actions to support NAPA preparation and implementation.

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National Adaptation Programmes of Action (NAPAs) by LDCs

- Created the opportunity for LDCs to identify priority adaptation activities that respond to their urgent and immediate needs.
- 49 LDC Parties are preparing NAPAs. As of 31 July 2007: 21 NAPAs have been completed.

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Existing funding sources for adaptation under the UNFCCC

- GEF Trust Fund – Strategic Priority for Adaptation (SPA)
 - Least Developed Countries Fund (LDCF)
 - Special Climate Change Fund (LDCF)
- Total funding of these funds through GEF: \$225 million USD (including pledges)
- **Adaptation Fund** – Share of proceeds of CERs to assist adaptation (2%). Estimated \$ 425 million USD through 2012, but this depends on current and future CDM

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Review of the financial mechanism

- **Fourth review to start at COP 13** (*relevant for upcoming GEF 5*)
Focus on developing country needs for funding, including adaptation, considering two papers:
 - **Technical paper on current and future investment and financial needs of developing countries**
 - **A report on the assessment of funding necessary to assist developing countries**

The COP invited Parties to submit to the secretariat, by 17 August 2007, **their views and recommendations on the funding available to them in the climate change focal area**, for compilation by the secretariat for consideration and appropriate action at the COP 13 and for transmission through the secretariat to the Council of the GEF“.

These views should be a basis for the discussion on “guidance” to the GEF at COP 13, and so far, only two submissions have been received!

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Outcomes of CMP 12/SBI 26- Adaptation Fund

- 5/CMP.2 agreed on principles, modalities and some governance criteria.
- SBI 26 agreed on eligibility criteria, priority areas and monetizing the share of proceeding.

Outstanding issues for CMP3: institutional arrangements.

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Dialogue (1) – Up to Vienna

- Decision 1/CP.11 established a dialogue to **exchange experiences and analyse strategic approaches** for long-term cooperative action to address climate change.
- At SB 26 workshop on addressing action on **adaptation** and realizing the full potential of **technologies**.
- Many Parties consider that **adaptation** should be a building block in any future international climate change agreement.
- Work on financial and investment flows provide input to Dialogue, including adaptation.

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Dialogue (2) – Investments and Financial Flows Report

Analysis of existing potential investments and financial flows relevant to the development of an effective and appropriate international response to the climate change (prepared following a COP 12 mandate).

- Introduction, methodology, current and reference scenario, overview of Investment and finance flows for mitigation and for adaptation, potential of carbon market, financial cooperation under the Convention and Protocol, potential for increased Investment and financial flows.
- Also, summary power point presentations of estimates on Investment and financial flows for adaptation and mitigation were prepared.
- These presentations and reports can be found on the UNFCCC website at: <http://unfccc.int/4048.php>

The findings contained in these presentations and reports were based on the existing information, but due to the limitations of this information and of the methodologies available, they can only be taken as an indication.

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Dialogue (3) – Investments and Financial Flows Report Major Findings

Additional investment and financial flows in 2030

Sector	Global (billion USD)	Share of developing countries
Agriculture, forestry and fisheries	14	50 %
Water supply	11	80 %
Human Health	5	100 %
Coastal zone	11	40 %
Infrastructure	8–130	25 %

- **Amount large in absolute terms, but small relative to GDP and investment:** overall needs identified in this study correspond to 0.2 – 0.8% of global investment flows or 0.06 – 0.21% of projected GDP in 2030.
- Developing countries: USD 28 to 67 billion in 2030.

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Dialogue (4) – Investment and Financial Flows Report Major Findings

- Report on I&FF clarified the need of investment resources for a global response to climate change, and made clear the inadequacy of current resources.
- Assuming a share of proceeds for adaptation of 2 percent continues to apply post 2012, the level of funding could only be:
 - \$100 – 500 million USD per year for a low demand;
 - \$1 – 5 Billion USD per year for a high demand.
- However, I&FF needed for adaptation are likely to be tens of billions (USD) per year several decades from now. New sources of funding need to be identified.
- Although additional I&FF needed for adaptation are significant, the value of climate change impacts that those expenditures would avoid could be much larger.

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Dialogue (5) - Vienna Outcome

- Key Building Blocks:
 - **Mitigation and adaptation;**
 - **Technology development, deployment, diffusion and transfer for both mitigation and adaptation;**
 - **Availability of financial resources and enabling investment conditions.**
- Governments expressed strong support for building blocks of such a response.
- There are differences among countries but not fundamental disagreements.
- Strong support for the continuation of the Dialogue. Dialogue has contributed in bringing together the thinking of Parties.

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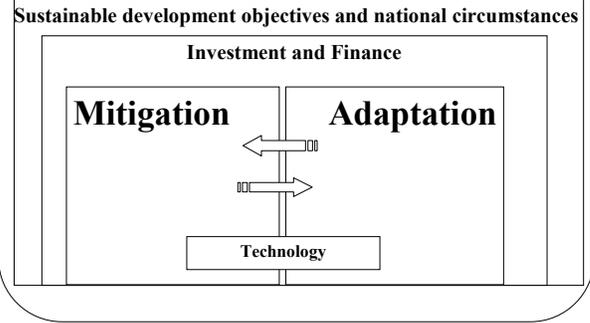
Building blocks in 2000



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Global action



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Climate Change at United Nations

- **April 2007:** The Security Council held an open debate exploring the relationship between energy, security and climate. Over 50 delegations participated in the debate which highlighted the need for effective adaptation strategies to address the security risk posed by climate change.
- **August 2007:** UN General Assembly' first ever thematic plenary debate on climate change. Panel discussions were held on science, mitigation, adaptation and impacts.
- **24 September 2007:** A High Level Event on climate change will be convened in New York to promote discussion on the possible ways to move the international community toward negotiations on new global climate change agreements at the upcoming UN climate change meeting in Bali. The background paper for this event includes a section on adaptation.

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The role of the United Nations

Policy committee:

The response to climate change needs to be firmly positioned in the sustainable development agenda

- Climate change should be a **strategic focus area** for UN **public outreach and publicity**
- Climate change should be **mainstreamed** into all UN **programme and work streams**
- Increased support for **action on adaptation**
- Further improved **scientific research**

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Major adaptation (no NWP) issues at Bali under the SBs

- SBI: Decision under consideration on the way forward on implementation action on adaptation and response measures as a follow up of 1/CP.10
- Start of the 4th review of the Financial Mechanism
- CMP3: Decision on operationalization of adaptation fund
- COP: Dialogue or any other process that Parties may decide will consider possible building blocks and future international cooperation to address climate change (including adaptation) and identify further work.

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Expectations for COP 13/CMP 3 in Bali substance

- Report on the dialogue
- Work of the AWG
- Financial flows project
- Reducing emissions from deforestation
- Adaptation and Adaptation Fund
- CDM (Nairobi Framework)
- Technology transfer

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Expectations for COP 13/CMP 3 in Bali future

A comprehensive agenda for a future regime needs to be launched at COP13.

- A **strong framework needs to be in place by 2009/2010** to ensure that there is **no gap** between the end of the first commitment period in 2012 and the **entry into force of a future regime**.
- An enhanced future climate change regime within a **multilateral framework** under the auspices of the UN.
- All countries need to be included

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