

Recognizing the adaptation efforts of developing country Parties: Assessing and meeting the costs of adaptation

Outline of the report

Recommended action by the Adaptation Committee

The Adaptation Committee (AC), at its 20th meeting, may wish to take into account the information contained in this document and consider next steps, as noted in Section Five.

1. Background

1. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement requested the secretariat, under the guidance of the Adaptation Committee and the Least Developed Countries Expert Group and in collaboration with relevant stakeholders, to prepare synthesis reports every two years starting in 2020. The synthesis reports on specific adaptation themes are focused on relevant lessons learned and good practices in developing country Parties in the context of the recognition of their adaptation efforts.¹
2. The AC, at its nineteenth meeting, agreed to merge the suggested topics of assessing the costs of adaptation and meeting the costs of adaptation for its second synthesis report. It requested the secretariat to prepare an outline for the synthesis report on the theme of “Efforts of developing countries in assessing and meeting the costs of adaptation” for consideration at AC 20.

2. Approach and scope

3. This report will recognise efforts taken by developing countries in assessing and meeting the costs of adaptation, based on the review of the following as the main sources of input:
 - a) Countries self-reported documents, including Nationally Determined Contributions (NDCs), National Communications (NCs), Adaptation communications (AdComms), National Adaptation Plans (NAPs), and National Adaptation Programmes of Action (NAPAs);
 - b) Other relevant reports under the UNFCCC, including the SCF Needs-based Finance project,² Determination of the needs of developing country Parties³ and Fourth Biennial Assessment and Overview of Climate Finance Flows;
 - c) Reports from operating entities of the UNFCCC financial mechanism (e.g the Green Climate Fund, Global Environment Facility, and Adaptation Fund), UN organizations,

¹See Decision 11/CMA.1 para 13

² https://unfccc.int/NBF_Project

³ <https://unfccc.int/topics/climate-finance/workstreams/needs-report>

multilateral agencies, and multilateral development banks, including information from the Pilot Program for Climate Resilience (PPCR).

4. It aims to provide a solid reference to the efforts of developing countries, despite the challenges, in appraising the costs of adaptation and investing their resources and efforts into it.

3. Main content

3.1. Assessing the costs of adaptation

3.1.1. Methodologies for assessing costs of adaptation

5. The methodologies applied in assessing the cost of adaptation vary; for example, some countries carried out a cost-benefit analysis to estimate the investment needed for implementation of their NDC adaptation measures,⁴ while others referred to some international available methodologies such as those from the World Bank.⁵ Methodologies and approaches used by developing countries in assessing the costs of adaptation will be discussed in this section.

3.1.2. Estimates of costs of adaptation

6. This section will provide insights into developing countries' estimates of costs of adaptations, drawing from Parties' reports, such as the new/updated NDCs, in which more Parties provided information on estimates of financial support needed for adaptation and resilience.

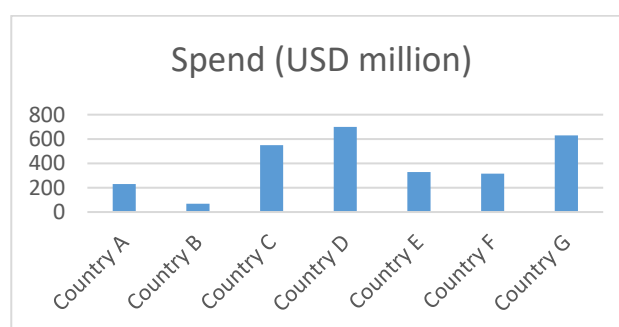
7. It will include country experiences (e.g. boxes/case studies) as well.

3.2. Meeting the costs of adaptation

3.2.1. Developing countries' domestic expenditures on adaptation

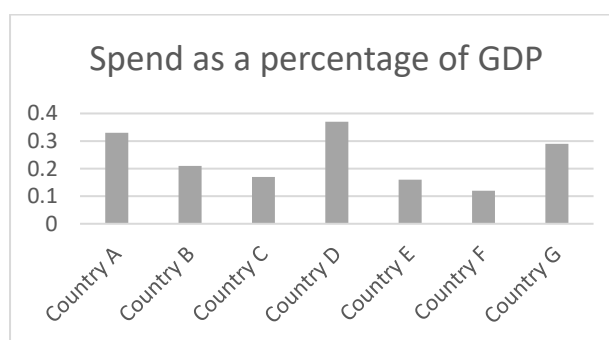
8. This section will look into how much each of developing countries, for which information is available, spends on adaptation activities. The results could be presented:

- a) Option I: at an aggregate level if there is a large amount of information available.
- b) Option II: as case studies, if the information on the subject matter is sparse. For example, the following two graphs could be used for the presentation of information under this option: one illustrating spending on climate change adaptation and resilience as total spend in millions of USD (top) and the other as a percentage of the country's GDP (bottom).



⁴ Liberia's revised NDC, 2021; Cambodia's NAP, 2021

⁵ Mozambique's NDC, 2018



3.2.2. Developing countries efforts to create enabling conditions to access and mobilize funding for adaptation

9. This section will present information on efforts by developing countries to create enabling conditions to access and/or mobilize support for adaptation, including from domestic and international funds, with a view to give Parties the opportunities of recognizing all possible aspects of adaptation efforts by developing countries while focussing on relevant lessons learned and good practices. It will include good practices in relation to:

- a) Political level – e.g. the Coalition of Finance Ministers for Climate Action, currently under the leadership of Chile and Finland, and
- b) Operational aspects such as capacity building for facilitating access to public and private finance, building the capacity of development and finance ministries to integrate adaptation considerations into macroeconomic and fiscal policies and public expenditure, effort to enhance the transparency of domestic climate finance flows and to align them with the Paris Agreement.

4. Summary of key findings

10. This section informed by previous chapters will synthesise key findings.

5. Next steps

11. The AC may wish to agree on the outline of the report (sections 1-4) and request the secretariat to prepare a first draft for consideration at AC 21.

Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	30 August 2021	AC 20 The AC is invited to take note of the update contained in this information note and to implement the next steps.

Keywords: adaptation to climate change, Resilience, implementation, developing country Parties.