

# CONCEPT NOTE: SESSION 1

## Effectively Financing Climate Adaption: Country-owned Approaches in Building Resilience and Leaving No-one Behind

12 December 2022, 14:45 – 16:15 CET

### Background

The implications of climate change for sustainable development are dire. Without addressing the causes and effects of climate change, the 2030 Agenda and the Sustainable Development Goals will be unattainable. Already, average global temperatures have increased by 1.2°C above preindustrial levels, with devastating consequences for people across the world, disproportionately impacting the most marginalized individuals, communities and countries.

Despite many low-income countries contributing very little to the problem of climate change, many suffer disproportionately from its impacts, and scaled up, impactful international support for adaptation is urgently required.<sup>1</sup> Estimated adaptation costs in developing countries are five to ten times greater than current public adaptation finance flows. The UNEP Adaptation Gap report finds that the costs of adaptation are likely in the higher end of an estimated USD 140-300 billion per year by 2030 and USD 280-500 billion per year by 2050 for developing countries only.<sup>2</sup>

To inform the financing of such climate measures, countries' Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs), developed with a close link to national development plans and budgets, should be utilized. However, this is often not the case, resulting in more fragmented and ineffective climate finance. At the same time, climate finance discussions within the UNFCCC often disregard development effectiveness principles.

Desk research undertaken for this session underlines the criticality of open, transparent and accountable data-driven dialogue and exchange of experiences among providers and partner countries' governments. These are key ingredients for building trust, mutual accountability, as well as their ability to effectively manage resources provided. It points to challenges that mirror the issues that are seen to hamper the effectiveness of development co-operation in general, including:

- Donor driven climate action in disregard of country ownership
- Absence of a shared, common normative framework;
- Lack of joint efforts to improve predictability, transparency and accountability, leading to high transaction costs of climate action and access to resources;
- Pursuit of quick fixes and limited focus on building core local capacities, undermining sustainability;
- Poor readiness and the inability of developing countries to track climate-related finance that they receive, and the results they achieve.

Developing country priorities are a basic demonstration of the continued relevance and applicability of development effectiveness to supporting developing country climate action – which is practically inseparable from development action.

<sup>1</sup> [dac-declaration-climate-change-cop26.pdf \(oecd.org\)](https://www.oecd.org/dac/declaration-climate-change-cop26.pdf)

<sup>2</sup> <https://www.unep.org/resources/adaptation-gap-report-2021>

## Purpose of the Session

The overarching purpose of this multi-stakeholder dialogue is to explore and showcase key success factors in effective adaptation financing, taking a country-led approach that enhances resilience of societies and leaves no one behind.

## Objectives

- Showcase key success factors in financing effective climate adaptation measures by sharing case studies and good stakeholder examples.
- Highlight how the [Busan Principles for effective development co-operation](#) can be applied on climate adaptation measures in partner countries and how the GPEDC can contribute to addressing existing challenges.
- Explore how country-led, effective adaptation measures can improve access to capital and be better integrated into national and sub-national development planning processes, using a whole-of-society approach.

## Expected Outcomes

- A reinvigorated discussion on how effective climate adaptation financing looks like and key success factors.
- An improved understanding of how effectiveness principles for development co-operation can be applied towards climate financing for adaptation.
- A continued dialogue on how the GPEDC and all development actors can contribute towards addressing the gap on the application of effectiveness principles on climate adaptation measures.

## Deliverables

The output of this session will be a concise summary document to compile key messages and promote a forward agenda to address shared priority effectiveness dimensions at stake in financing climate adaptation measures.

## Format

This 1.5-hour hybrid plenary session will be held in the style of an interactive armchair discussion format. The session will start with a short opening statement from one of the co-leads before handing over to a speaker to set the scene and frame the discussions. It will be followed by a multi-stakeholder panel with representatives of donors, partner countries and other relevant stakeholders.

## Moderator

**Mr. Pablo Vieira**, Global Director, NDC Partnership

## Session Contacts

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