

Oceans Day at COP21

Rio Convention Pavilion, Friday, 4 December 2015

Panel 4: Adaptation and Financing for Adaptation (2.40 – 3.40 pm):

“Adaptation Opportunities under the UNFCCC” by Luke Daunivalu

Introduction

- Share personal perspectives and experience on the topic, not in official capacity as AC member
- Adaptation is pretty much a way of life (as SIDS)
 - Grow up in Fiji, an island nation, in coastal village, surrounded by the ocean
 - Life is a constant battle against natural elements
 - Major focus for Fiji and SIDS is Adaptation.
 - It is the main response mechanism to the adverse impacts of climate change.
 - Fiji’s contribution to global carbon emissions, based on IPCC average, is a measly 0.04%.
- It is only natural and indeed fair that “Adaptation” became a major pillar of the UNFCCC (though it took some years to gain prominence after entry into force of Convention in 1994)
- It is a recognition of the various challenges faced by Parties regarding the adverse impacts of climate change that are already happening and to prepare for future impacts

- Under the Convention and its Kyoto Protocol, adaptation finance is provided by the **GEF**, through the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF); the **Adaptation Fund**; and most recently the **GCF**.

Challenges to accessing climate finance

- There appears to be a lack of alignment between policies on climate change and disaster risk management and the allocation of resources to implement them. Policies and plans are not being costed, resulting in the lack of coherence over the funding necessary to implement them.
- The real costs of adaptation also need to be costed and updated in a time-bound and sustainable way. How are countries addressing this? Fiji is approaching this via its newly deployed Integrated, Vulnerability and Adaptation assessment tool. The tool hopes to acquire information on the vulnerability of Fiji's community to the impact of climate change and stressors. This way Fiji will be better able to evaluate the total cost of its adaptation and the approximate cost of nationwide resilience.
- Implementing Entities need to be guided by National Priorities and need to be in close consultation with relevant authorities in the identification of national priority projects
- Access modalities must take into account economies of scale and resource capacities.
- Transparency of sources of funding.

- The push for DRR financing and CCA financing to be merged together as meeting the same ODA objective (SRDP in the Pacific).

Adaptation Committee

- At COP16 (2011), Parties decided to establish an Adaptation Committee (AC) to promote the implementation of enhanced action on adaptation in a coherent manner under the Convention.
- As one of its functions, the AC provides information and recommendations, drawing on adaptation good practices, to the COP for its consideration when providing guidance on means to incentivize the implementation of adaptation actions, including finance, technology and capacity-building and other ways to enable climate-resilient development and reduce vulnerability, including to the operating entities of the financial mechanism of the Convention, as appropriate.
- Workshop conducted by the AC in March 2015 on means of implementation for enhanced adaptation action – Key pointers:
 - (1) *Access to Adaptation finance:*
 - While Adaptation financing is increasing steadily, huge disparity exists globally in favour of Mitigation funding: see Climate Policy Initiative figures (pg. 7).
 - Presentations and discussions revealed that although the total amount of public adaptation finance has increased over the years, it represents only between 11 and 24 per cent of total climate finance.

- Existing funds for adaptation are not able to match the demand of countries, especially in terms of implementing national adaptation programmes of action (NAPAs) and the NAP process.
- (2) In terms of *enabling environment* to access funding, vital elements include:
 - long-term capacity development necessary (human [skills], institutional [NIEs, NDAs] & systemic [laws]);
 - finance availability, scaled up, streamlined procedures)
 - Strong national leadership and coordination
 - Strong national ownership and participation
- (3) *Integrating Adaptation into development*
 - there is a need to generate interest at the national level for integrating adaptation into development planning.
 - essential to provide good, simple and relevant climate information to different stakeholders to enable them to make informed decisions. Translating information into knowledge and communicating it in a way that different stakeholders can understand. An approach is to combine traditional knowledge with the latest science.
- (4) *Role of private sector*
 - The integration of adaptation into business-as-usual will only happen if it is compelling and makes financial sense. Based on presentations by private sector reps, two models that have already proven feasible are (a) to use standard metrics (e.g. creating resilience to an event with a return period of 200 years),

(b) use index-based approaches and regulations, such as in the insurance industry,

Fiji reference

- In Fiji, recognizing the multiple scale of the adverse climate change impacts we face; the diverse actions required; and the different actors involved; it was decided that a priority area for funding assistance was water infrastructure.
 - Following consultations, it was subsequently decided that a Water Infrastructure project be undertaken.
 - The project will build new infrastructure to increase clean water supplies by 20% and boost wastewater treatment capacity by 200% in the greater Suva area, the main metropolitan center of Fiji.
 - The “Fiji Urban Water Supply and Wastewater Management Project” is a \$222 million project that is co-funded through various sources – \$67.7 million loan from ADB, grant from GCF, and other sources (possibly also European Investment Bank).
 - The GCF grant of \$31 million will cover a third of the funds needed to ensure the water supply system is more resilient to anticipated climate change impacts.
- Under the GCF Readiness program (Supported by UNDP, WRI and UNEP), Fiji is working to have an NIE accredited.
- Lack of funding success with Adaptation Fund was neither a deterrent nor an issue. Funding and Technical support from development partners are essential. We will persevere in this regard.