



FINANCING CLIMATE CHANGE ADAPTATION

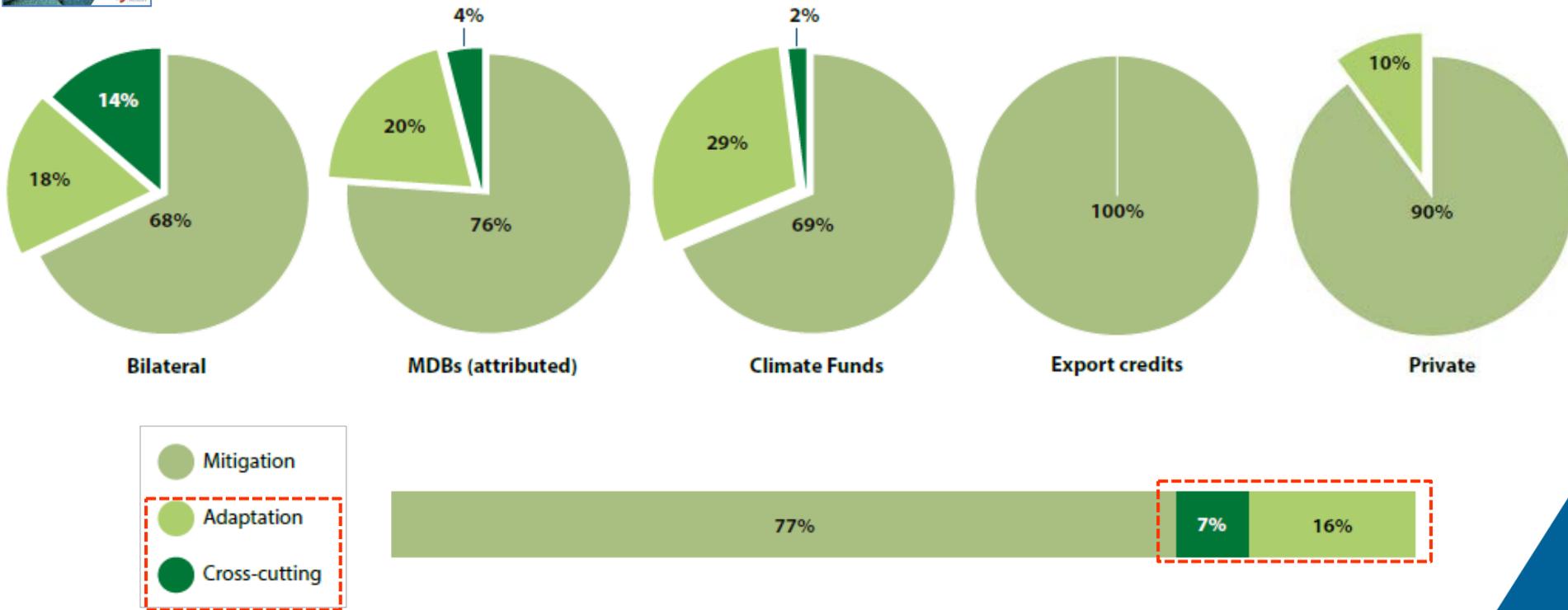
3rd Meeting of the global network of basins working on climate change adaptation, 6-7 April 2016

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Thematic unbalance of climate finance

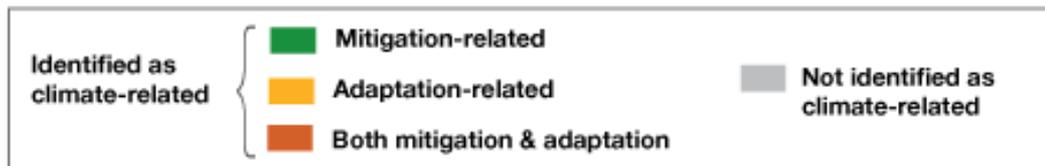
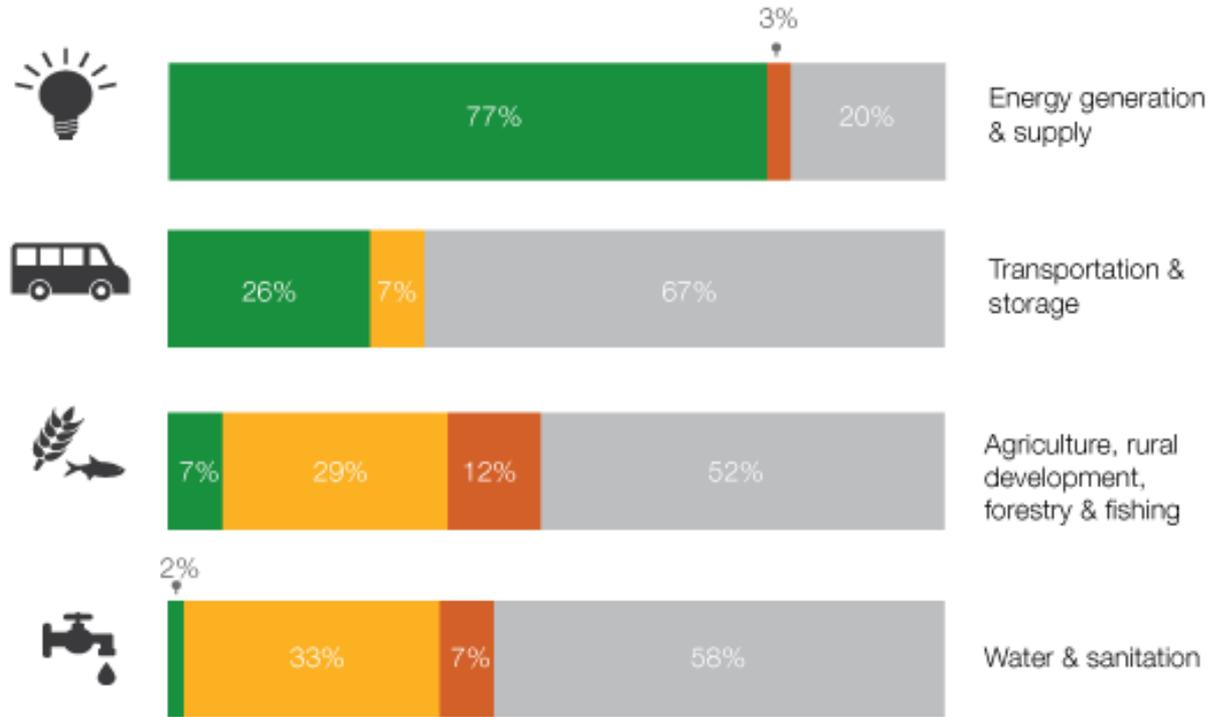
Thematic split of climate finance provided and mobilised by developed countries for climate action in developing countries in 2013-2014



Source: OECD (2015), "Climate finance in 2013-14 and the USD 100 billion goal", a report by the Organisation for Economic Co-operation and Development (OECD) in collaboration with Climate Policy Initiative (CPI). <http://www.oecd.org/environment/cc/OECD-CPI-Climate-Finance-Report.htm>



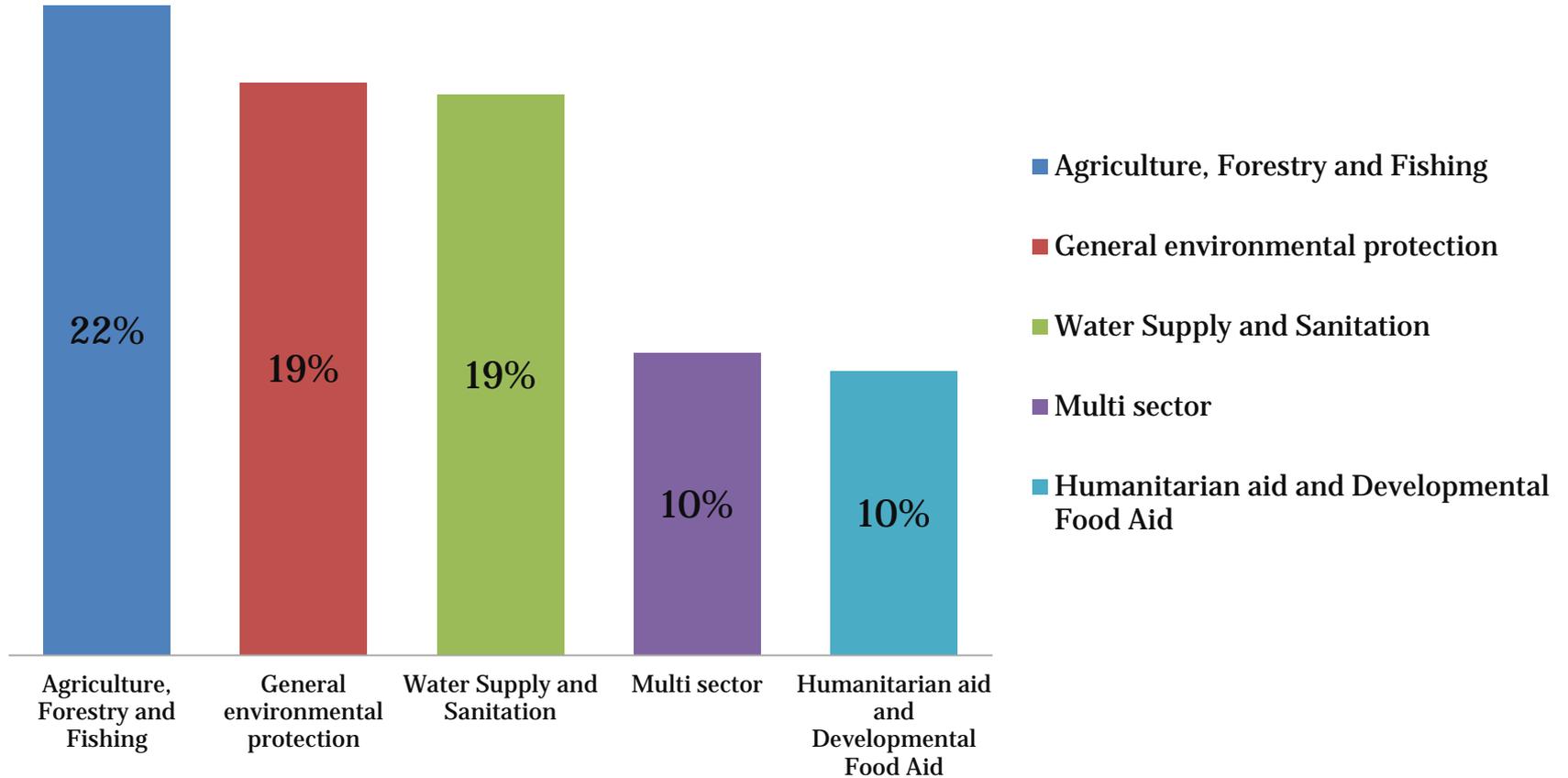
Climate mainstreaming by sector, 2014



Source: OECD DAC, 2014 USD. The bar represents total ODA per sector and the climate-related share within that total.

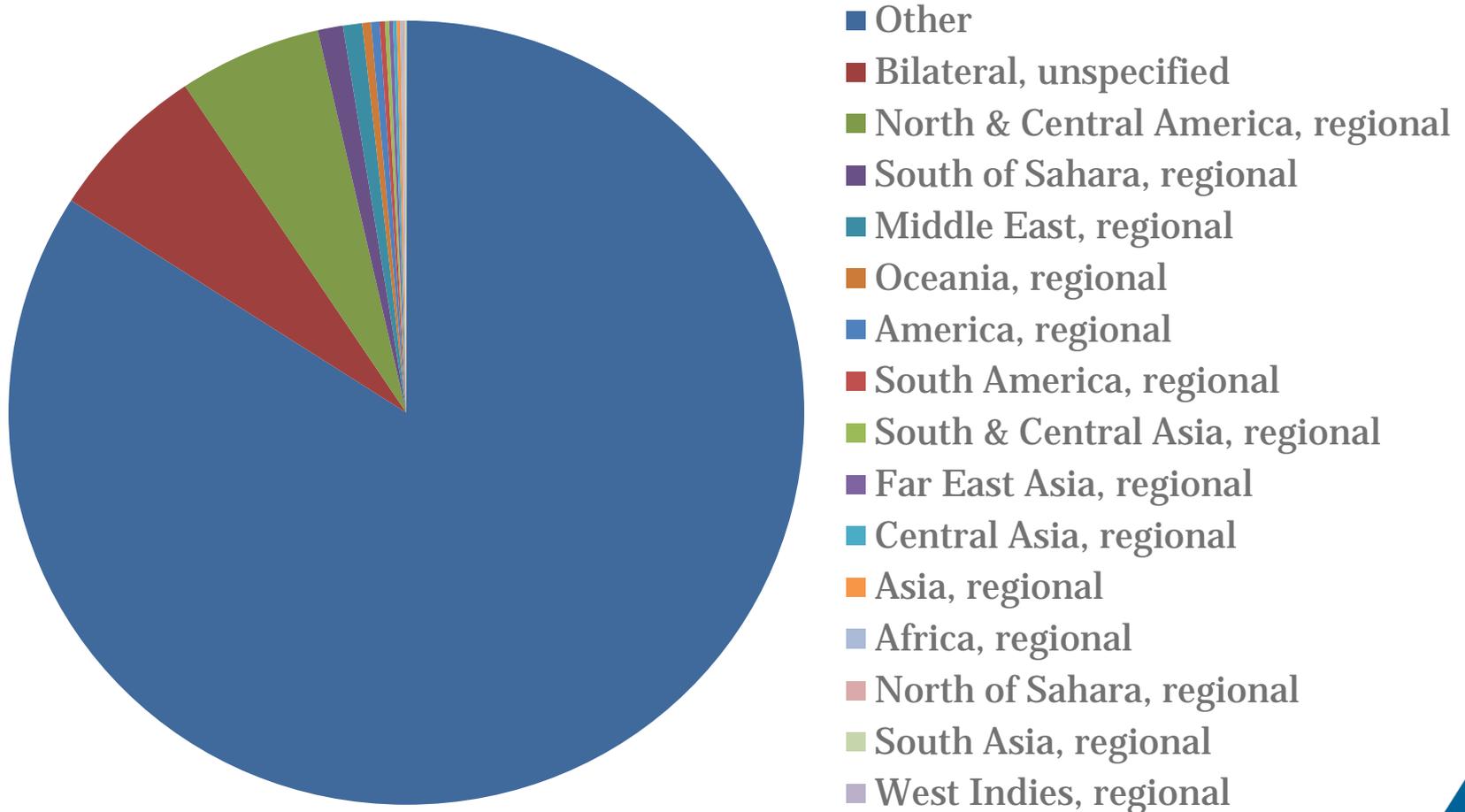


Bilateral ODA targeting adaptation by sector, 2014



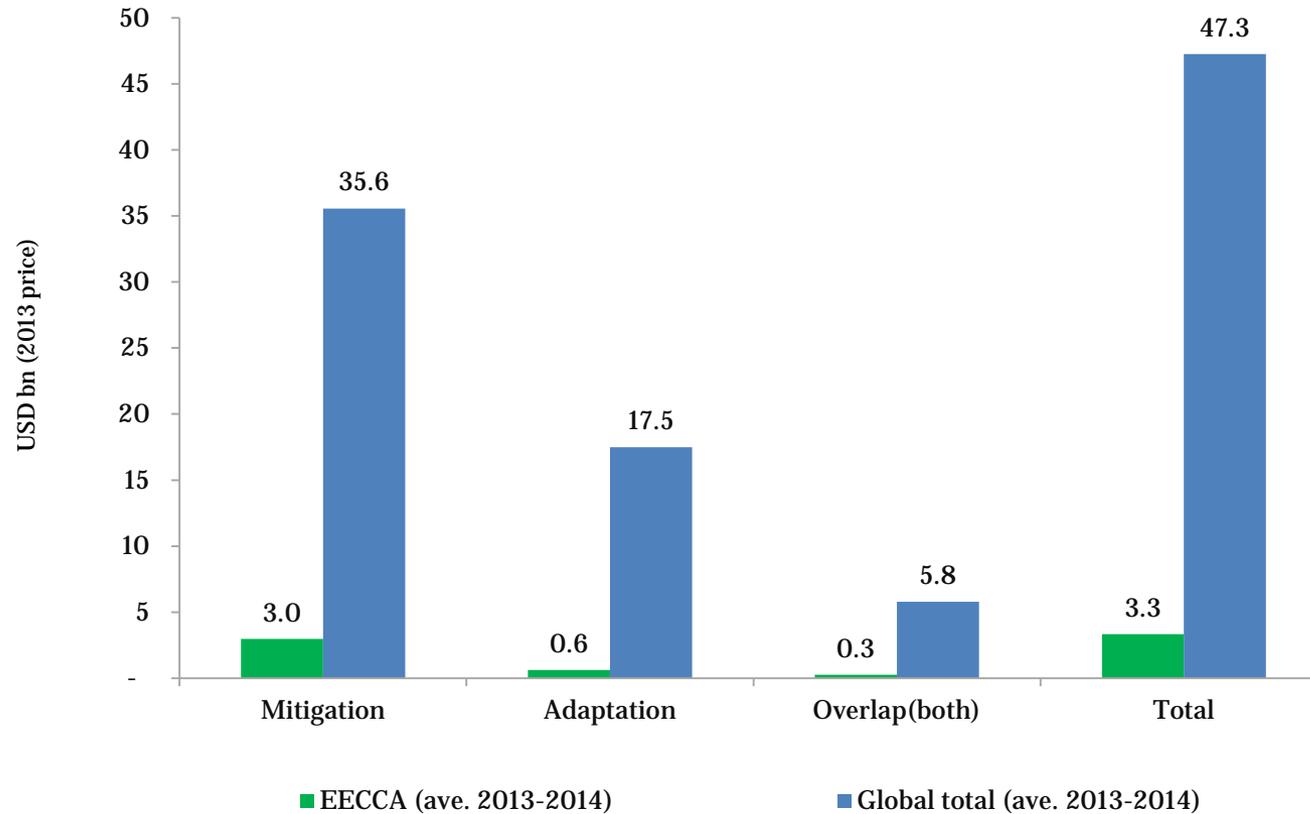


ODA targeting adaptation channelled to regional bodies, 2014





Mitigation and adaptation imbalance: EECCA region

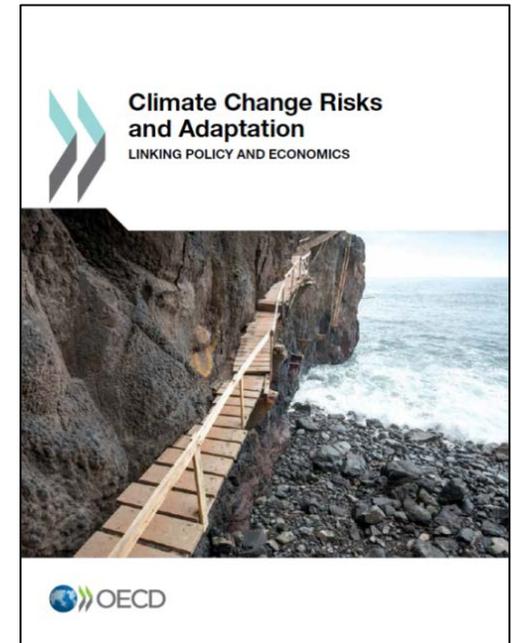


Source: OECD (2016-forthcoming), Readiness of Eastern Europe, Caucasus and Central Asia Countries to Access International Climate Finance, OECD Publishing, Paris (forthcoming); OECD DAC Creditor Reporting System, 2014 data.



Financing climate adaptation

- Three main channels through which government finances affected by climate change:
 - Investments to support risk reduction
 - Risk transfer mechanisms
 - Absorption of residual impacts
- Mainstreaming adaptation into national budgets





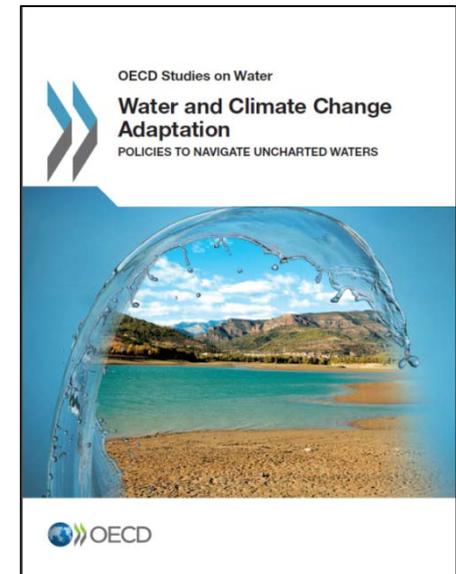
Strengthening climate adaptation financing

- **Identify contingent liabilities**
- **Consider social impacts in adaptation planning**
- **Integrate risk reduction and risk transfer**
- **Integrate disaster risk management and climate adaptation**



Financing climate adaptation for water systems

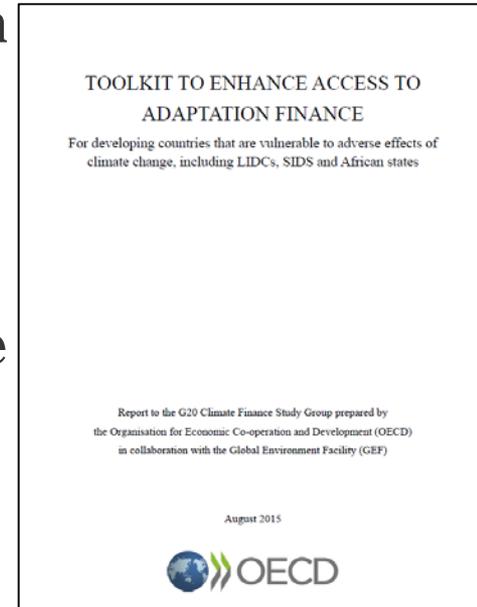
- OECD survey (2013) of climate adaptation for water systems
 - Most countries focussed on evidence provision and information gathering and dissemination
 - Only a few countries had begun to address financing
 - Several potential sources of financing, depending on country circumstances
 - Transboundary examples: shared river basins, coast lines, water supply and sanitation systems in border communities





Toolkit on adaptation financing: challenges

- Low level of awareness of the need for adaptation and sources of funding
- Difficulty in meeting funds' procedures and standards to access finance
- Low level of capacity to design and develop projects/ programmes, and monitor and evaluate progress
- Limited availability of and access to climate information
- A lack of coherent policies, legal and regulatory frameworks and budget
- No clear set of priorities identified through transparent multi-stakeholder processes



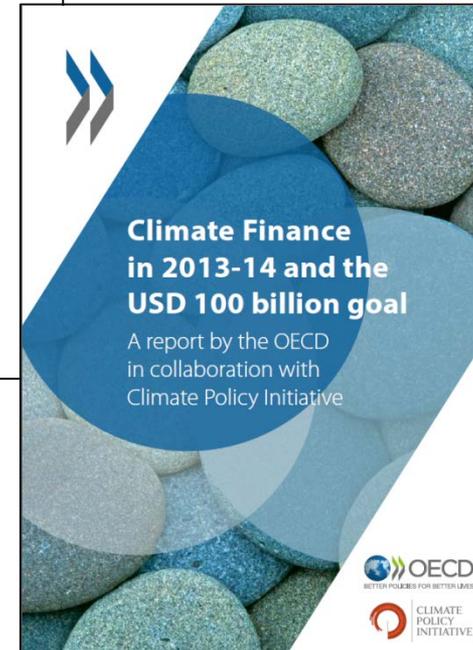
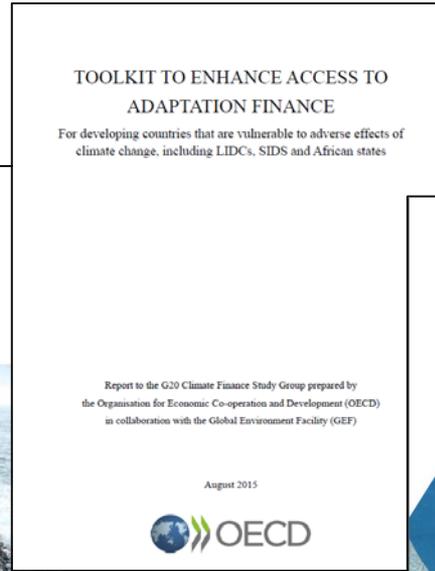
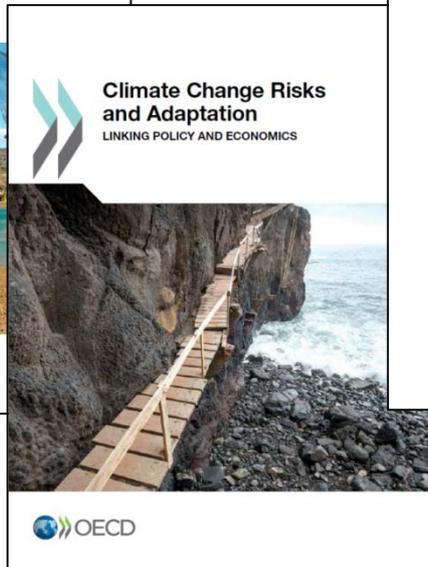
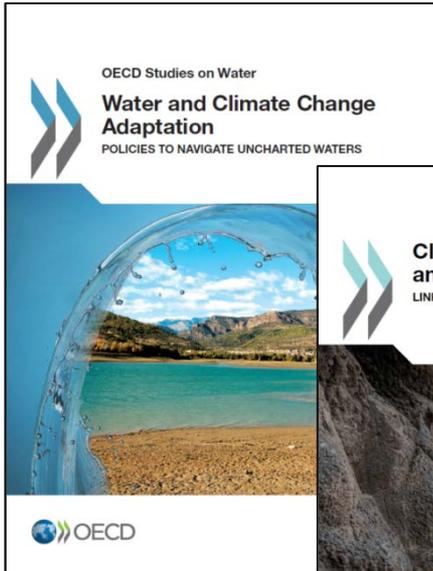


Toolkit on adaptation financing

1. Identify the most relevant international financing channels
2. Support capacity development at the organisational level
3. Support and facilitate project and/ or program preparation
4. Enhance domestic enabling environments to attract private and public finance
5. Foster lesson sharing and peer-learning
6. Use the NAP process effectively



Further reading



www.oecd.org/environment/resources/water.htm

www.oecd.org/env/cc/adaptation.htm

www.oecd.org/env/cc/oecd-cpi-climate-finance-report.htm