

ADAPTATION

December 2008



Summary

Climate change presents a profound threat to CARE's vision of a world where poverty has been overcome and people live in dignity and security. The world's poorest people are the most vulnerable to climate change though they contribute least to its causes. Without a well-functioning international adaptation regime, they will pay the highest price.

Therefore, the post-2012 agreement must ensure that sufficient funds are available for adaptation and that those funds reach the most vulnerable people. This requires:

- Massive scale-up of funding for adaptation in line with needs
 - Systematic identification of vulnerable groups
 - Inclusive and transparent decision-making on the design and implementation of adaptation activities, including the active and meaningful participation of vulnerable groups.
 - Mechanisms to support community-based adaptation
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Massive scale-up of funding for adaptation in line with needs

CARE believes:

- *Developed countries have a moral responsibility to provide funding for adaptation in vulnerable developing countries. This responsibility is in line with their historic contribution to the problem and their commitments under the UNFCCC.*
- *Existing mechanisms for adaptation funding, which rely on voluntary contributions, have failed to deliver. Commitments to date have fallen far short of what is needed.*
- *Therefore, the post-2012 agreement must establish binding commitments for historic high-emitters to provide funding for adaptation in vulnerable countries.*
- *Adaptation funds must be new and additional to existing commitments, such as those for Official Development Assistance.*
- *Innovative mechanisms for financing will be needed.*

The UNFCCC recognizes the inherent injustice of climate change – that developing countries have contributed least to causing climate change, and yet are likely to suffer most from its impacts. The Convention commits developed countries to assist developing countries that are particularly vulnerable with the costs of adaptation. Nonetheless, no concrete funding targets have been set, and developed countries have been slow to allocate resources. Clearly, a voluntary approach to committing funds for adaptation has not delivered the scale of funds that are required to meet this unprecedented challenge.

Estimates on what is needed for adaptation in developing countries vary. Oxfam estimates needs to be at least US\$ 50 billion per year¹, and the UNDP estimates that the costs could be up to \$86 billion per year². Given the cross-sectoral nature of adaptation and the overlaps with development activities, such a range in estimates is not surprising. However, consensus is growing that the need is in the order of tens of billions of dollars per year, and that existing funding commitments fall dramatically short of what is needed.

In order for developing countries to be able to plan for the future and to effectively implement adaptation actions, they need access to adequate, predictable and sustainable funding streams, as indicated in the Bali Action Plan. The post-2012 agreement must set binding commitments for developed countries to allocate funds for adaptation in order to demonstrate to vulnerable countries that developed countries are taking responsibility for their contribution to climate change. This will help pave the way for consensus on a comprehensive future climate change agreement.

Adaptation commitments should be based on historic responsibility and capability to pay, and the funds should be new and additional to existing commitments, such as those for Official Development Assistance (ODA). While CARE believes that the funding for adaptation should be new and additional, we assert that the planning and implementation of adaptation measures must be integrated into existing development plans and processes. Keeping in mind the vital importance of healthy ecosystems to local resilience and adaptive capacity, adaptation efforts should also be coordinated with initiatives and plans to protect biodiversity and the local environment.

Given the scale of the needs for adaptation funding, CARE believes that other sources of funding will also be necessary to ensure that adequate funds are available. New and innovative mechanisms that can raise significant funds for adaptation, while creating incentives for mitigation, should be an integral part of the adaptation package. Auctioning of emission allowances and levying the use of bunker fuels are key mechanisms that should be employed to close the adaptation funding gap.

Systematic identification of particularly vulnerable groups

CARE believes:

- *Sufficient adaptation funding, while crucial, is not enough. We must also ensure that funds are used effectively, and are channelled where they are needed most.*
- *Existing funding mechanisms for adaptation are not designed to deliver funds in a way that targets the most vulnerable.*
- *Systematic assessment of socio-economic vulnerability within high-risk geographic regions is currently not an integrated part of international and national approaches to adaptation. Proposed priority adaptation measures are therefore unlikely to reach or benefit the most vulnerable groups, who need the support the most.*
- *Vulnerable groups within countries and communities must be identified.*
- *Vulnerability assessments must incorporate analysis of economic, social and political determinants of adaptive capacity.*

The Bali Action Plan places priority on the urgent and immediate needs of developing countries that are particularly vulnerable to the impacts of climate change, especially the least developed countries and small island developing States, as well as countries in Africa affected by drought, desertification and floods.

¹ *Adapting to climate change: what's needed in poor countries, and who should pay.* Oxfam Briefing Paper 104, May 2007.

² *Fighting climate change: Human solidarity in a divided world.* United Nations Development Program (UNDP) Human Development Report 2007/2008.

CARE supports this emphasis on vulnerability in targeting of adaptation funding. However, we believe that in order for adaptation funds to reach the people who need them most, systematic identification of vulnerable groups within countries and communities must take place.

CARE's experience has shown that vulnerability to climate change varies not only between countries, but within countries, communities and even households. Exposure to climate shocks and stresses is only part of the picture of vulnerability. It is the economic, social, and political structures governing people's lives that mediate the biological and physical impacts of climate variability and change. The impacts will vary within a region because some social groups will have less adaptive capacity than others. Women and other marginalized groups are particularly at risk.

The post-2012 agreement must ensure the channelling of funds to the people who need them most. This requires systematic identification of the most vulnerable groups, and the establishment of mechanisms for resources to be allocated to these groups on a priority basis. Actions funded through these mechanisms should explicitly aim to increase the adaptive capacity of the most vulnerable groups.

Inclusive and transparent decision-making

CARE believes:

- *Adaptation actions will not be successful unless they result from an inclusive and transparent decision-making process.*
- *In order to systematically incorporate the interests and knowledge of vulnerable groups, their active and meaningful participation in prioritising, designing and implementing adaptation activities is essential.*
- *The post-2012 agreement must establish mandatory mechanisms giving the world's most vulnerable people a voice in decision-making on adaptation, from local to the international levels.*

Decisions regarding the funding and implementation of adaptation measures have profound implications for the lives and livelihoods of poor people around the world. Yet critical decisions are being made by national governments and multilateral organizations with almost no space provided for the representatives of poor and marginalized groups.

People's vulnerability to climate change is frequently a reflection of marginalisation within their own communities and countries. Therefore, it is naïve to assume that their interests will be reliably represented by state structures. For adaptation plans and activities to meet the needs of the most vulnerable, they must be guaranteed a role in decision-making processes. Many lessons can be taken from the experience of developing more inclusive, transparent and accountable Poverty Reduction Strategies.

The post-2012 agreement must mandate the participation of vulnerable groups in decision-making on adaptation, and it must establish mechanisms to ensure that this participation is active and meaningful. Active participation implies dialogue and shared decision-making power. This requires a global framework which establishes mechanisms for accountability to those most affected by climate change.

Mechanisms to support community-based adaptation

CARE believes:

- *Properly designed top-down, scenario-driven approaches to adaptation can play a role in reducing vulnerability to climate change. However, they frequently fail to address the needs and concerns of the most vulnerable.*
- *Community-based adaptation measures, within an appropriate enabling environment, are the most effective way to facilitate adaptation by the most vulnerable groups.*
- *Existing funding mechanisms and planning processes do not prioritize community-based adaptation.*
- *The post-2012 agreement must establish mechanisms to support community-based adaptation as part of an integrated and comprehensive approach to adaptation.*

Despite the global nature of the challenge, the impacts of climate change are locally-specific. The most effective way to ensure that adaptation funds help the most vulnerable is through community-based adaptation initiatives which explicitly aim to build their adaptive capacity. Community-based adaptation is an integrated process which is grounded in analysis of vulnerability from environmental, social, economic and political perspectives. It combines traditional knowledge with innovative strategies to address evolving challenges. The process is focused on building resilience of livelihoods, protecting people and assets from climate hazards such as droughts, floods and cyclones, and engaging and building capacity of local institutions to support people in adapting. It also involves challenging the power structures and policies that shape people's vulnerability.

In CARE's view, community-based adaptation involves action not only at the local level, but also the creation of an enabling environment. This requires the engagement of a wide range of stakeholders, from vulnerable people, to local governments and civil society organizations, to national-level policymakers in vulnerable countries. The post-2012 agreement must put in place mechanisms to ensure that all of these stakeholders can play appropriate roles, and that the global adaptation effort is focused on appropriate actions to meet the needs of the world's most vulnerable people.

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