EUROPEAN UNION CLIMATE FUNDING FOR DEVELOPING COUNTRIES IN 2014

European Commission

IT 2014 EU

This brochure has been written by the European Commission and the Italian Presidency of the Council of the EU, with contributions from the EU and its Member States of specific examples of initiatives and activities.

The facts and figures are based on information provided by the services of the European Commission and Member States.

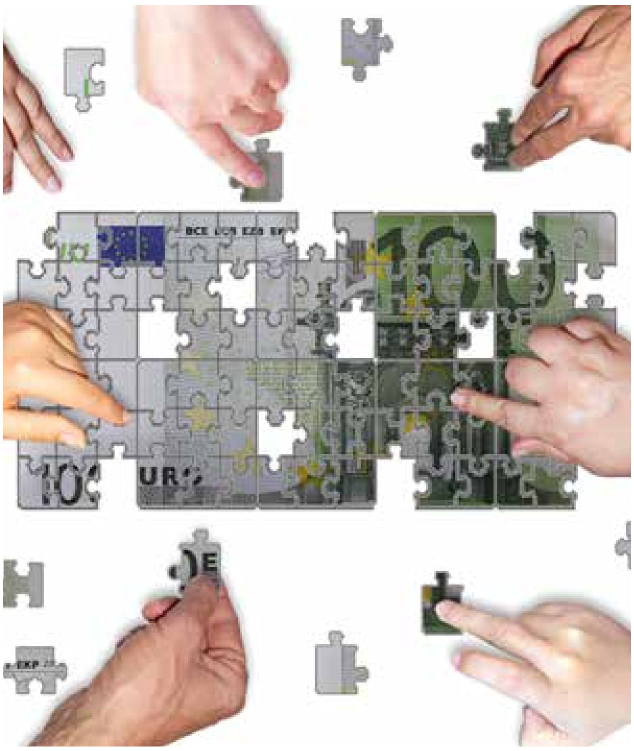
Table of contents

EU continues to step up its climate finance

State of play

The EU and its Member States are a world-leading contributor of climate finance to developing countries. The urgency of the climate change challenge means that **significant financial resources will continue to play a key role** in promoting action both to reduce greenhouse gas emissions and adapt to the consequences of climate change within the broader context of sustainable development.

At the Doha climate change conference in December 2012, the EU and a number of Member States announced voluntary climate finance contributions to developing countries adding up to EUR 5.5 billion from their respective financial provision in 2013. In fact, their contribution of public climate finance far exceeded this: **in 2013, the EU and its Member States collectively provided EUR 9.5[1] billion to help developing countries tackle climate change.**



The Green Climate Fund

The EU and its Member States welcome the on-going process of initial resource mobilisation to the **Green Climate Fund**, in particular the announcements by a number of countries, of which a substantial share came from EU Member States. The GCF is designed to promote the paradigm **shift towards low-emission and climate-resilient development pathways**, by providing support to developing countries in their efforts to limit or cut their greenhouse gas emissions and to adapt better to the impacts of climate change. Therefore it is essential that those countries in a position to do so contribute substantially to the GCF, so that it can deliver transformational change. Over time, the **Fund aims to establish a 50:50 balance in allocation of resources to mitigation and adaptation**. It will have a key role in channelling additional financial resources to developing countries. GCF funding will support the design and implementation of climate change plans in developing countries, and will attract further public and private climate finance, at both national and international level.

One of the keys to more effective use of climate finance is **country ownership and the integration of climate objectives into national development strategies**. Donors need to deliver support in a coordinated and harmonised way, using local systems where possible, and results must be measured and evaluated. The EU and its Member States are committed to implementing these principles and sharing the lessons learned from development cooperation.

1) This figure includes climate finance sources from public budgets and other development financial institutions.

Creating a virtuous circle of climate finance

Scaling up climate finance

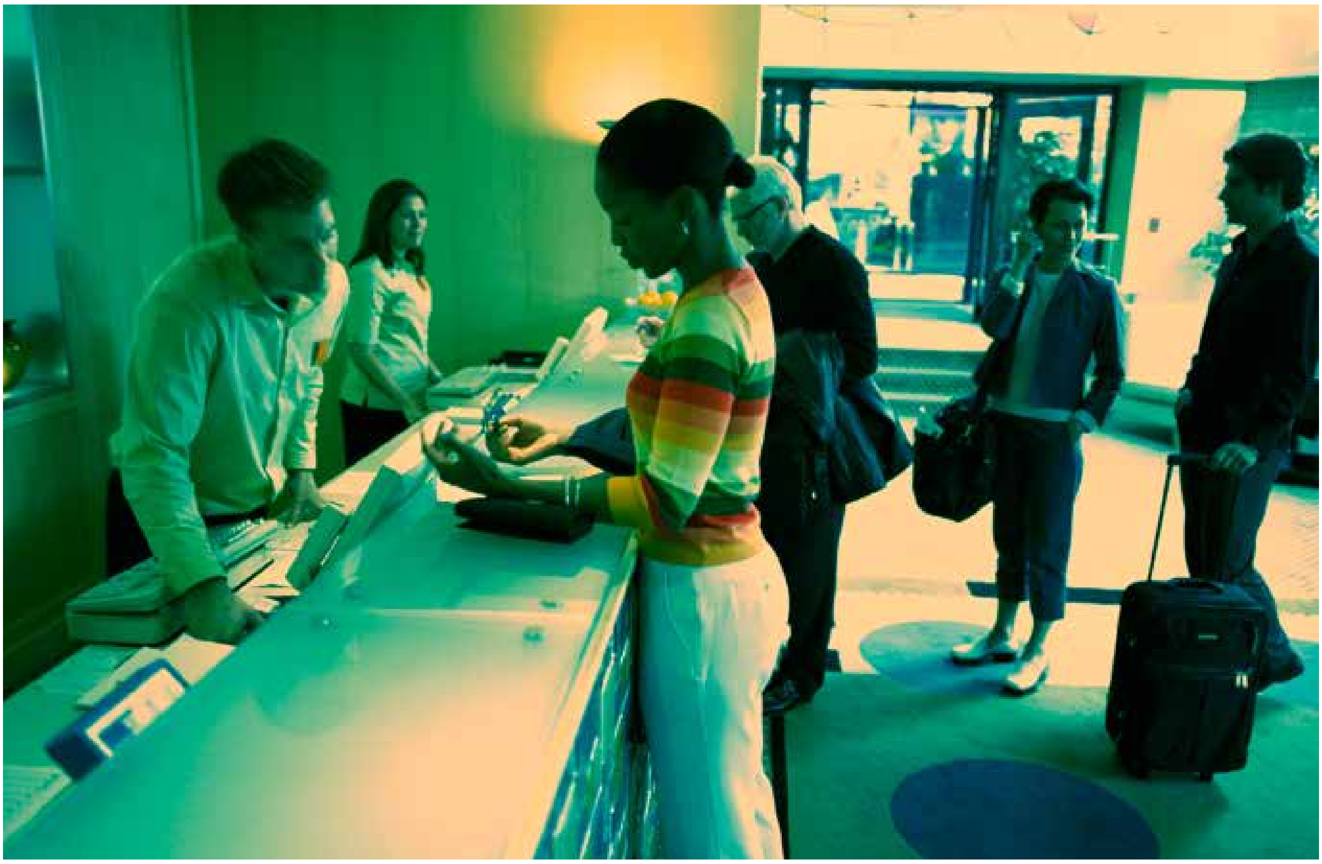
The EU and its Member States are committed to scaling up the mobilisation of climate finance by 2020. In their October 2014 submission to the United Nations Framework Convention on Climate Change (UNFCCC), the EU and its Member States provided information on their **strategies for boosting climate finance** as part of the commitment by developed countries.

By putting in place an ongoing process of scaling up climate finance, the EU and its Member States will contribute significantly to the developed countries' goal of **jointly making available USD 100 billion per year by 2020 from a wide variety of sources**, public and private, bilateral and multilateral, including alternative sources of finance in the context of meaningful mitigation action and transparency of implementation. The EU and its Member States stress the **need for fair burden-sharing** amongst developed countries.

Implementing a sustainable and effective strategy for scaling up climate finance involves drawing on a wide variety of sources, and the EU and its Member States have adopted a range of policies to unlock their potential. Ambitious domestic climate strategies and policies combined with supportive regulatory frameworks will encourage concrete climate action. This will attract more climate finance which in turn will fund more projects triggering a virtuous circle of more ambitious innovation and more finance. Consequently, scaling up climate finance must go hand in hand with solid preparatory work for stronger action and better enabling environments.

Integrating climate objectives in development finance

The EU plans to commit up to EUR 14 billion in grants from the EU budget and the European Development Fund (EDF) between 2014 and 2020 to support climate action in partner countries outside EU. This is in line with the goal of investing at least 20% of the EU's budget in climate-relevant actions during 2014-2020 both domestically within the EU and internationally. Incorporating climate considerations into public and private investments is crucial to increasing support for low-carbon and climate-resilient projects, while phasing down high-carbon investments. Therefore, development and climate finance, both for adaptation and mitigation, are intrinsically linked. Achieving **synergies between development and climate objectives will be crucial for the transformation to a low-carbon, climate-resilient world**.



Public and private pulling together

The EU and its Member States see **private investments as key** to scaling up levels of climate finance, but not as a substitute for public finance, where this is needed. Private investment will be pivotal to achieving the **long-term transformation** of developing countries into low-carbon, sustainable and climate-resilient economies. The EU and its Member States are developing public initiatives that mobilise private climate finance, and several successful schemes are already in place.

Public climate finance will carry on playing an important role. The EU and its Member States continue to provide public climate finance (despite being subject to tight budgetary constraints), which together with public policy measures will be key to catalysing larger financial flows.

Adaptation finance

It is vital to channel financing into making development and livelihoods more climate resilient. As requested at the 19th Conference of the Parties in Warsaw 2013 (COP19), the EU and its Members States are making efforts to invest a substantial share of public climate finance in adaptation for developing countries, in particular the Least Developed Countries (LDCs), Small Island Developing States (SIDS) and African countries, and work for a **balanced allocation of funding between adaption and mitigation**.

Private investment will be pivotal to achieving the long-term transformation of developing countries into low-carbon, sustainable and climate-resilient economies.

Tapping a range of resources

Public climate finance to support the most vulnerable developing countries

The **Global Climate Change Alliance (GCCA)** is an EU initiative launched in 2007 and coordinated by the European Commission, which relies on funding from the EU budget, the European Development Fund (EDF) and contributions from several EU Member States. It supports the integration of climate action into development planning by providing technical and financial support, focusing on incorporating climate change into poverty reduction strategies; adaptation; reducing emissions from deforestation and forest degradation (REDD+); and disaster risk reduction. By the end of 2013, the GCCA had carried out national programmes in **more than 35 Least Developed Countries (LDCs) and Small Island Developing States (SIDS) and supported eight regional interventions in Africa, Asia (Lower Mekong Basin), the Caribbean and the Pacific**. To date, **almost EUR 300 million has been granted to GCCA activities**. In 2013, EUR 48 million went to Chad, Djibouti, Haiti, Malawi, Mauritania, Myanmar, Sao Tome e Principe, Tanzania and the UN Capital Development Fund (UNCDF).

Global carbon-pricing schemes

The EU and its Member States welcome the implementation of global carbon pricing schemes. In particular, they strongly support the ongoing efforts within the International Civil Aviation Organization (ICAO) and International Maritime Organization (IMO) to **set up effective global carbon-pricing schemes, and the decision by the ICAO to develop a global market-based scheme by 2016**, for implementation by 2020. Carbon pricing is also a potential source of finance for climate action, according to national budgetary rules and is consistent with a sound and sustainable public finance policy framework.

Mobilising private climate finance

Since 2007, the EU has set up a range of EU Regional Investment Facilities: the EU-Africa Infrastructure Trust Fund (ITF), the Neighbourhood Investment Facility (NIF), the Latin America Investment Facility (LAIF), the Investment Facility for Central Asia (IFCA), the East Asia Investment Facility (AIF),

the Caribbean Investment Facility (CIF) and the Investment Facility for the Pacific (IFP). In 2010, Climate Change Windows were established in all of them, to ensure that **strategic infrastructure projects** in areas such as transport, energy and environment **include low-carbon and climate-resilience considerations**.

Through these facilities, **EU grants are blended with finance** from public or private institutions to mobilise funds for infrastructure and private-sector development (e.g. SME access to finance). Blending helps unlock non-grant funding, making projects with a large development and climate impact financially viable. Since 2007, EU climate grants of around EUR 1 billion have been combined with additional public and private financing, including more than EUR 6 billion in loans from European public finance institutions and regional development banks. This amounts to total project financing of more than **EUR 25 billion, to more than 120 climate-relevant projects**, benefiting both low and middle income countries.

Mobilising finance through international financial institutions

In addition to grant funding from the EU budget and the European Investment Fund (EDF), the **European Investment Bank (EIB) is a key actor** in the EU's external public climate finance policy. It is a leader among international financial institutions **in supporting innovative, clean and climate-resilient technologies**, by co-financing mitigation, adaptation and other climate-related projects. The EIB is committed to acting as a **catalyst for investments** with partners both inside and outside Europe.

The EIB's investment in climate action has grown substantially in recent years. Its Operational Plan for 2014-2016 includes a target of setting aside at least **25% of total activity for climate action**. The EIB spent EUR 19 billion in 2013 alone on financing projects tackling climate change worldwide. Of this, EUR 2.2 billion was invested outside Europe, mainly in developing countries. The EIB supports renewable energy and energy efficiency, contributing in a practical way to the EU's climate change and energy sustainability objectives. Since 2011, the EIB's climate operations have accelerated in countries within the EU's Eastern and Southern Neighbourhoods, Africa, the Caribbean and the Pacific.

Establishing the right conditions in all countries for effective climate action is essential for mobilising and deploying climate finance successfully.

Enabling environments for combatting climate change

Establishing the right conditions in developed and developing countries for effective climate action is essential for mobilising and deploying climate finance successfully. This could mean, for example, the phasing down of high-carbon investments and fossil fuel subsidies, and a wider application of carbon-pricing instruments in all countries.

In the EU's experience, **a broad set of enabling conditions will help to decarbonise economic growth**. Perhaps the best known of these is the EU Emissions Trading Scheme, which puts a positive price on carbon emissions. Some of the offsetting has taken place outside the EU.

At the same time, the EU is also supporting **capacity building** and mobilising **technical assistance** for developing countries through a number of bilateral and multilateral programmes and projects. This includes **platforms for dialogue and exchange of experience** on climate policies, **practical approaches** to integrate climate change into development policies and the **strengthening of modelling capacity** to support climate change mitigation strategies. Support also involves developing climate policies in the forestry sector, facilitating the inclusion and coordination of the public and private sectors in national climate change initiatives, and many more initiatives.

Benefits of good practice

Transferring examples of successful climate action in developed and developing countries, and influencing policy-making, are just as important as funding. **Learning from experience** should foster better cooperation and coordination between developing countries, and broaden knowledge of the benefits of successful climate action. **Knowledge-sharing** spreads new skills and promotes innovative solutions to problems. It is important that climate strategies are embedded into country-owned national development plans, and implemented involving all key stakeholders. **Climate change affects everyone, and everyone has a role in working to reduce its effects and adapt to its impacts.**

In the following pages are some examples of successful projects supported by the EU and its Member States.

Action to cut carbon emissions continues

Mitigation actions remain essential to keep the global average temperature increase to below 2 °C and make the transition towards low-carbon development. Scientific evidence continues to highlight the dangers to our natural world and humanity if we do not take action to curb greenhouse gas emissions. In pursuing growth and development, developing countries must get the assistance they need to avoid costly and environmentally damaging technologies and infrastructures.

CASE STUDY

Vietnam gets the tools it needs for green growth

http://bit.ly/ObMaJp

Combining economic growth with environmental sustainability is the great challenge facing developing countries as they seek to improve their people's living standards.

Vietnam's national Green Growth Strategy (2014-2020) aims to reduce the country's greenhouse gas emissions, develop green technologies, boost energy efficiency and promote more sustainable behaviour. **Belgium** is providing EUR 5 million to support the Vietnamese Ministry of Planning and Investment (MPI) in its coordinating role, through the Green Growth Strategy Facility.

The Belgian government believes that enabling environments are key to making the best use of green investments in both developed and developing countries. So it helps Vietnamese officials to take the lead in implementing the strategy through capacity-building activities, technical and strategic support for pilot projects and disseminating good practices in green growth. A further aim is to attract additional local and international funding for green growth activities, both from public and private sources.

Once fully operational, the Facility will at first support projects in three provinces where the Belgian cooperation is already active (Ha Thinh, Binh Tuan and Ninh Tuan), while at a later stage supporting green growth-related projects throughout Vietnam.

Enabling environments are key for attracting and making the best use of green investments.

CASE STUDY

Filling the information gap for renewable energy investment

Investment in jobs and growth is the best route out of poverty for the developing world. Yet a lack of reliable energy – and the funds to remedy this – is holding many regions back. "Investors are clear – they have the capital, but need reliable information to decide where and how to invest it," said the **UK**'s International Development Secretary, Justine Greening.

That information is now made publicly available by **Climatescope**, an online information tool, which enables investors to assess the returns they can generate by investing in renewable energy and to compare opportunities across 55 different developing countries. It ranks countries according to their renewable energy investment attractiveness based on their policy environment, low-carbon value chains, cost of capital and greenhouse gas management activities. Through the online ranking and annual report outlining the headline results for each country, Climatescope aims to increase private-sector investment in renewable energy in developing countries and to encourage governments to undertake relevant policy reforms.

A total of 30 456 unique downloads of Climatescope reports, source data, case studies and infographics have taken place this year alone. Launched in October 2014, the 'global' Climatescope index is expected to be well-received by investors, governments and donors alike. It has already proved its worth in Mexico, which included Climatescope's clean energy value chain methodology in its Renewable Energy Special Programme.

www.global-climatescope.org

"This index will provide the research investors need, helping to drive investment into new areas and to secure clean, stable energy supplies for millions of the world's poorest people."

Justine Greening

Capacity building to mitigate the threat from international aviation

Global CO_2 emissions from international aviation are growing steadily as more and more passengers take to the air. By 2020, they are predicted to increase by some 70 % compared with 2005. More efforts are needed to cut these emissions that contribute to climate change.

In late 2013, the **EU** launched a 42-month project to help less developed countries confront the problem, by drawing up national action plans and building their capacity to promote low-carbon air transport.

The EUR 6.5 million project, implemented by the International Civil Aviation Organization, boosts less developed countries' ability to track, manage and reduce their aviation emissions. This means that the Dominican Republic, Trinidad and Tobago, Kenya, Burkina Faso and Economic Community of Central African States should all have meaningful state action plans for reducing aviation CO_2 emissions – in line with the call from the 2010 International Civil Aviation Organization Assembly – for establishing CO_2 emissions inventories and piloting new ways of reducing fuel consumption. Through the wide range of activities in these countries, the project contributes to international, regional and national efforts to cut CO_2 emissions from aircraft.

www.icao.int

The project contributes to international, regional and national efforts to cut CO_2 emissions from aircraft.

CASE STUDY

Spain tailors its programme to foster implementation of NAMAs and strengthen public-private cooperation

The **Spanish NAMA Platform**, launched by ICEX Spain Trade and Investment (Ministry of Economy and Competitiveness) in 2014, works with other ministries and institutions, including the Spanish Climate Change Office and the Spanish Agency for International Development Cooperation (AECID), to catalyse the implementation of nationally appropriate mitigation actions (NAMAs) in developing countries.

The Platform takes an individual, tailored approach – through a technical analysis of countries' action plans – examining the potential for public-private cooperation, and looking for tools to support the NAMAs at different stages.

In Uruguay, for example, a cooperation framework has been set up to support the 'High Integration Wind Programme' NAMA, which has been submitted to the United Nations Framework Convention on Climate Change (UNFCCC) NAMA Registry. It will examine how to expand the electricity system using high levels of wind power, responding to the specific requests from the country itself.

Several NAMAs are being analysed to find potential instruments that could support their implementation, and activities have been organised in different countries, including workshops and study tours.

www.icex.es

The Platform takes an individual, tailored approach.

Technical assistance helps countries to monitor emissions

The **Low Emissions Capacity Building Programme (LECB)** is the **EU**'s largest capacity building project to help developing countries implement greenhouse gas inventories, nationally appropriate mitigation actions (NAMAs), low emission development strategies (LEDS) and Measuring, Reporting and Verification (MRV).

In the 25 participating countries in Asia, Latin America, Africa and Eastern Europe (Moldova), progress is uneven but generally dynamic. The 16 countries that are performing well and reporting results according to plan include China, Chile, Colombia, Costa Rica, Ghana, Indonesia, Lebanon, Mexico, Philippines, Uganda and Vietnam.

The programme, which will end in 2016, is managed by the United Nations Development Programme (UNDP). It receives funding of EUR 18 million from the European Commission, EUR 5 million from Germany, and AUSD 5 million from Australia.

LECB also provides technical assistance on Measuring, Reporting and Verification of carbon emissions reductions. In Trinidad and Tobago in the Caribbean, for example, an MRV system has been created to support the implementation of sectoral low-carbon plans. The programme is also helping the country to put its low-carbon development strategy into practice, including six action plans and at least three NAMAs.

http://bit.ly/ObMaJp

Progress is uneven but generally dynamic.

CASE STUDY

Information, capacity building and technology transfer in Latin America

The **Iberoamerican Network of Climate Change Offices (RIOCC)** promotes capacity building activities throughout the Latin American region. It covers 21 countries in central and South America, the Caribbean, Spain and Portugal.

The network creates the opportunity for dialogue and exchange of experiences and information on climate change policies, activities and projects among the countries, identifying regional needs and priorities for both adaptation and mitigation.

Since 2004, **Spain** has been supporting more than 22 regional workshops and other regional activities and studies. Most of the the RIOCC workshops examine policies, regulations and instruments that help to identify finance and investments for use in the Latin American countries.

During 2014, two workshops took place. The first, in July, in Montevideo (Uruguay), was a 'NAMAs (nationally appropriate mitigation actions) regional workshop for the renewable energy sector (wind and solar energy)'. Spain organised the event in collaboration with the International Renewable Energy Agency (IRENA) and the United Nations Environment Programme (UNEP) through the REGATTA project (Regional Gateway for Technology Transfer and Climate Change Action in Latin America and the Caribbean). The second regional workshop, held in November in Santa Cruz (Bolivia), focused on 'Adaptation to climate change planning' and again was supported and organised by Spain and UNEP/REGATTA.

www.lariocc.es

The network creates the opportunity for dialogue and exchange of experiences.

The Danish Climate Investment Fund – Partnering with institutional investors

In the greater Male region of the Maldives, the production of clean drinking water from seawater is an energy-intensive process that traditionally stems from costly diesel plants. Currently, 150 000 people rely on the supply of drinking water and sewerage services from the Male Water and Sewerage Company (MWSC).

The Danish Climate Investment Fund was launched in 2014 to support climate investments in developing countries and emerging markets, including enhancing enabling environments for climate investments. The Fund offers capacity building, advice, and capital to minimise the risk investors face when undertaking climate investments. Partners include the Danish Government and five institutional investors, including three Danish pension funds. The Fund has a total committed capital of USD 230 million, with around 60 % coming from institutional investors. Over the coming 4-6 years, it is expected to generate investments worth some USD 1.5 billion in total. The cooperation with the institutional investors has raised awareness among investors in Denmark that climate investments in developing countries can be attractive and have favourable risk profiles.

In the greater Male region the Fund has enabled investments in solar plants to be installed on the roofs of buildings. This means that the MWSC in providing drinking water and sewerage services can now lower the share of diesel-based energy and the energy costs while also reducing CO_2 emissions and providing a return on investments. The solar power project in Male is an example of how The Danish Climate Investment Fund has enhanced capacity among investors to assess and evaluate climate investments in developing countries.

www.ifu.dk/en/services/the-danish-climate-investment-fund

The Fund offers capacity building, advice, and capital to minimise the risk investors face when undertaking climate investments.

Meeting the challenge of changes to come

The impacts of climate change are not evenly distributed around the world. The most vulnerable countries and regions are often those that have contributed least to the problem of global warming. The EU and its Member States are stepping up their support for projects that help communities to adapt to climate change, and protect their economies and livelihoods. This is being achieved through a wide range of tools and initiatives.

CASE STUDY

Helping a small country build a big 'climate alliance'

Cambodia emits relatively few greenhouse gases, yet ranks as one of the countries most vulnerable to climate change, especially floods and droughts which destroy all-important rice crops. It has struggled to assemble the resources – infrastructure, finance, human and technology – and national momentum to mitigate and adapt to the growing threat.

Sweden's support for two innovative schemes – **the Cambodia Climate Change Alliance (CCCA)** and **Local Climate Adaptive Living Facility (LoCAL)** – has helped to put resilience and the role of gender mainstreaming in tackling climate change on the national and sub-national policy-making agenda.

CCCA finds and funds ways for climate change activities in Cambodia to be "owned, led and aligned with" national development priorities and effectively coordinated and implemented by relevant bodies. It supported the development of the first Cambodia Climate Change Strategic Plan (2014-23), as well as action plans and adaptation pilots in all key sectors of the climate change response. CCCA also supported the development of a climate change financing framework for Cambodia. LoCAL focuses on mainstreaming adaptation into local government's planning and budgeting systems, raising awareness of and funding for local actions, such as building reservoirs, aimed at mitigating the hardships of climate change.

Since January 2010, Sweden has contributed over USD 4.4 million to help key Cambodian government ministries and local governments to build institutional capacity to tackle climate change, and to create an enabling environment for further climate finance. Nearly 20 000 households, especially in coastal areas, have directly benefitted from CCCA activities and over 2 000 government officials have received training and mentoring to integrate climate change in their planning practices. Sweden's contribution to LoCAL Cambodia from November 2012 until December 2014 was USD 1.2 million and has directly benefited some 225 000 people.

www.camclimate.org.kh/en/activities/cambodian-climate-change-alliance.html
www.local-uncdf.org

"Today, women and men have equal roles … When we decided to make the reservoir, the women joined in the same as the men."

Toich Sem, farmer in the village of Pien Meas Kan Kat

CASE STUDY

Local expertise saving the forests of Bhutan

The kingdom of Bhutan, at the eastern end of the Himalayas, is renowned for its biodiversity. The country has already pledged to preserve 60% of its land as forests.

But the natural environment is already under pressure. Funding from the **Austrian Ministry of the Environment** is helping to equip local scientists, government officials and other stakeholders with the skills they need to protect their forests from climate change. **The Buthan-Austria project (BC-CAP)** aims to boost human capacity and knowledge about adaptation measures.

Austria has contributed EUR 1.1 million to the project. A national climate change experts group has been set up, including top government officials, and its members are being trained to be able to provide the expertise Bhutan will need in the future.

Eight Bhutanese students have received grants to take mountain forestry masters degrees at the University of Natural Resources and Life Sciences (BOKU) in Vienna, and three more are carrying out doctoral research. The project will develop strategies to combat species loss and restore degraded land.

http://bit.ly/1xAj9HM

A national climate change experts group has been set up in Bhutan.

Getting serious about climate change

"**Connect4Climate** is about bringing in young people, bringing in artists, because we know that the numbers and the intellectual arguments have not been enough," says World Bank Group President Jim Yong Kim. "We have got to get serious."

The **Italian Ministry of the Environment, Land and Sea** is supporting the ground-breaking Connect4Climate Global Partnership Initiative through its Communication for Climate Change Multi-Donor Trust Fund, set up by the World Bank Group in 2009.

Communication has a key role to play in raising awareness about climate change, and building alliances. The programme looks for innovative ways to share knowledge and change perceptions. It is building up a global network of individuals and organisations that care about the problem, through social media and the internet, film-making, arts competitions, recruiting celebrity 'champions', and other ways. Its Facebook page has more than 646 000 followers.

"We have got to connect on an emotional level, so that young people know that they are going to be living in a time that is unrecognisable today. We have to listen to them," insists Jim Yong Kim.

Since 2011, Connect4Climate has attracted over 200 knowledge partners, ranging from multilateral organisations, to academic institutions and key media outlets.

www.connect4climate.org/

"We have to listen to the scientists. But we have to connect. That is the whole purpose of Connect4Climate."

Jim Yong Kim, President, World Bank Group

CASE STUDY

German technological expertise for climate protection

Extreme weather is a serious threat to farmers in developing countries. The **German government** is funding a project to advise the Peruvian Ministry of Agriculture (MINAG) on the integrated financial management of climate risks.

It is contributing EUR 5 million to set up a risk-transfer system between 2014 and the end of 2018, with the backing of both the state and the private sector. The private and public financial services offered will enable agricultural producers to reduce their vulnerability to weather extremes and to limit their exposure to the associated risks.

The project is also supporting the development of an information system and strengthening the expertise required for the management and government supervision of risk transfer systems in Peru.

The German Government's main partners are the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and KfW Development Bank (KfW). Bilateral cooperation is the main focus of German international climate finance, with projects geared to the needs of partner countries, while it is also involved in multilateral cooperation funds and institutions. It prioritises capacity building and readiness activities that increase the ownership of government climate action.

http://bit.ly/102woWo

Projects are geared to the needs of partner countries.

Climate-smart agriculture in Zambia's Northern Province

A five-year project to help vulnerable households in the north of Zambia to anticipate, manage and respond to the shocks and stresses of climate change is being funded by **Ireland**. As the climate changes, Zambia could face challenges relating to energy availability, health, water supply, water and sanitation infrastructure, agriculture and disaster risk reduction.

The project falls within the framework of of Zambia's Sixth National Development Plan, which runs from 2013 to 2016, with a special focus on rural development. It will promote the policies and the institutional capacity needed to increase climate-smart agricultural production and productivity, to improve nutrition and health education, and to support implementation. One of the project's specific actions is the creation of Livelihood Enhancement Groups, and training of local farmers in climate-smart crop, livestock and aquaculture production and sustainable use of wetlands.

Environment, climate change and disaster risk reduction are incorporated into Zambia's National Development Plan for 2013-2016. The project is funded by an Irish government grant of EUR 2.5 million.

https://ec.europa.eu/europeaid/countries/zambia_en
www.irishaid.ie

"Vulnerable households will be better equipped to cope with the impacts of climate change."

Irish Aid

CASE STUDY

Linking climate change and food security in Bangladesh

A project designed to improve the food security for small farmers and landless workers in South West Bangladesh, through the development of sustainable agricultural practices and market chains in aquaculture, animal husbandry and horticulture, has integrated climate change adaptation into its programme.

The Netherlands is contributing EUR 12 million to the **Sustainable Agriculture, Food Security, and Market Linkages (SaFal)** project, implemented in partnership with the Solidaridad Network Asia Ltd.

The scheme benefits some 50000 families, as well as service providers, local government bodies and other stakeholders. It helps to build capacity in efficient farm management, and to develop village market chains and relations between suppliers and producers, as well as promoting gender equality, social inclusion and better nutrition.

"The world market is getting more and more competitive and concerned about food safety," says network country manager. "One cannot continue to be in the race if farmers fail to increase productivity and ensure safety standards. We have seen how potato and other vegetable producers have been facing losses in recent years. Many were not even recouping production costs."

www.solidaridadnetwork.org/safal

Climate change adaptation has been integrated into the development programme.

Climate finance straight from the lab

The **UK's Capital Markets Climate Initiative (CMCI)** was launched in September 2010 to establish public-private dialogue and action to mobilise and scale up private finance flows for low-carbon technologies, solutions and infrastructure. The government uses the platform to generate and take forward ideas from the private sector for boosting private investment in low-carbon, climate-resilient projects in developing countries.

Participants in the scheme are private investors, largely from the City of London, who give their time on a pro bono basis. CMCI fosters discussion about the barriers to and opportunities for low-carbon investment in developing countries. To date, the platform has evaluated nine detailed proposals for UK climate finance projects.

CMCI also supports the new **Global Innovation Lab for Climate Finance**; an international public-private platform tasked with developing innovative climate finance instruments. The Lab has been developed by the **UK, Germany and the US in partnership with Denmark, France, Japan, the Netherlands and Norway**, and key private-sector representatives. The British government is providing a total of GBP 570000 for CMCI from its International Climate Fund – GBP 350000 initial investment and a further GBP 220000 approved in 2014 for the Global Innovation Lab. The German government has committed similar amounts to the Lab.

https://www.gov.uk/capital-markets-climate-initiative
http://climatefinancelab.org/

CMCI builds a common understanding of the rationale for and approaches to mobilising private capital for low-carbon, climate-resilient investments.

CASE STUDY

Raising standards though exchange of experience

Countries in south-eastern Europe are home to a vast range of biodiversity, but much of it is at risk from the impact of climate change and conventional pollutants. As some of these countries prepare for eventual EU membership, they need support in enforcing environmental laws to protect water, soil, flora and fauna, and to build a more climate-resilient society and economy.

Austria's Themis network aims to strengthen regional cooperation in these countries – Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia and Kosovo – to help implement the body of EU environmental law. The project also includes Moldova in the transfer of knowledge and experience.

Climate change adaptation measures, especially those related to irrigation and afforestation, have a crucial role to play in this region. Themis will help to develop institutions and skills in the network countries, and improve cooperation between different agencies, including the judiciary, police, ministries, universities, local governments and NGOs.

Austria contributes 90 % of the overall costs of the programme, which will run until 2017, amounting to EUR 1.05 million. It is coordinated by the Regional Environmental Centre (REC), and will directly benefit hundreds of policy-makers and law enforcers.

www.themis.rec.org

Climate change adaptation measures have a crucial role to play in south-east Europe.

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