# EUROPEAN UNION CLIMATE FUNDING FOR DEVELOPING COUNTRIES

2015



European Commission Presidency of Council of the ropean Union

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## THE EU AND ITS MEMBER STATES ARE DELIVERING ON COMMITMENT TO SCALE UP CLIMATE FINANCE

# EU commitment to climate action

Climate change is one of the most serious challenges facing the world today and taking action to deal with it is a top priority for the European Union. The EU and its Member States are committed to global efforts to fight climate change through actions to cut greenhouse gas emissions and strengthen societies' ability to cope with its negative impacts.

This commitment is reflected in ambitious targets and policies at both EU and Member State level. This includes the targets set in the EU's 2020 and 2030 climate and energy policy framework for greenhouse gas emissions reductions, renewable energy and energy efficiency, and the EU strategy on adaptation to climate change. The EU's experience shows that ambitious climate action can go hand in hand with economic growth. Since 1990, the EU has reduced its greenhouse gas emissions by 23 %, while growing its economy by 46 %.

# Scaling up climate finance

While continuing to invest in domestic climate action, the EU is scaling up climate finance to help the poorest and most vulnerable countries mitigate and adapt to climate change.

The EU and its Member States exceeded their commitment to provide EUR 7.2 billion in 'fast-start' finance over 2010 -2012 for immediate action on the ground in developing countries. Despite difficult economic circumstances, they provided EUR 7.34 billion. In 2013, funding to countries in need amounted to EUR 9.5 billion, from public budgets and other development finance institutions. In 2014, their contribution reached EUR 14.5 billion (for climate change mitigation 63 %, adaptation 16 %, crosscutting 21 %).

The EU remains committed to contributing its fair share towards the developed countries' goal of jointly making available USD 100 billion per year by 2020 to support developing countries. This will come from a wide variety of public and private, bilateral and multilateral, and alternative sources of finance in the context of meaningful mitigation action and transparent implementation. The EU welcomes the recent increase in contributors to financing adaptation and mitigation of climate change and encourages more countries to join this effort, in particular emerging economies and other countries in a position to do so, in line with their respective capabilities, circumstances and responsibilities.

This brochure shows what the EU is doing to support low-carbon and climateresilient development internationally. It also includes examples of climate finance tools and action by the EU and its Member States to showcase the variety of climate change adaptation action that is being supported.

In addition to the range of climate change policies, the EU strongly supports the programme to Reduce Emissions from Deforestation and forest Degradation, including the role of conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD+). REDD+ aims to preserve and strengthen the role of tropical forests in mitigating and adapting to climate change, and in sustainable development. From 2006 to 2014, the EU and its Member States provided EUR 3 billion in support of REDD+ activities through a wide range of thematic areas, countries and funding channels. The EU brochure "Forests, climate and people: EU support to combat tropical deforestation (REDD+) 2006-2014" analyses how this funding

has been used and shares the experience from past successes and ongoing programmes.

### Green Climate Fund

The Green Climate Fund (GCF) was set up in 2010 at the Cancún climate conference (COP16) to help achieve the goals set by the international community to combat climate change. The UN fund has a central role to play in mobilising the resources required for the shift towards low-emission and climate-resilient development pathways by channelling financial resources to developing countries and catalysing private climate finance.

The funds will be split evenly between mitigation and adaptation action, with half of funding for adaptation specifically directed to the most vulnerable countries, most of which are in Africa. By 25 September 2015, 36 governments had pledged USD 10.2 billion to the GCF. Recognising its importance, EU Member States pledged nearly half of the fund's resources – USD 4.7 billion. The EU and its Member States welcome the initial funding decisions in 2015.

## The Paris Agreement: a signpost to the future

The Paris climate conference (COP21) is one in a series of major global summits in 2015 laying the foundations for sustainable development for years to come. The EU is committed to playing its full part in an **ambitious**, durable **and legally binding global climate agreement** applicable to all countries that puts the world on track to keep the rise in global temperatures below 2°C compared to pre-industrial times.

An ambitious global climate deal offers a unique opportunity to accelerate the transition to low-emission, climateresilient economies worldwide, including: (i) an operational long-term goal that demonstrates the seriousness of our commitment to the public, businesses and investors; (ii) a mechanism for regular review of ambition that allows us to stay within the 2°C limit; and (iii) strong rules for transparency and accountability so that the global partners can trust that what has been promised in terms of cutting emissions will be delivered.

This requires large-scale action to both reduce emissions and prepare for the impacts of climate change. The EU and its Member States are committed to providing support, in particular to the most vulnerable countries in their climate efforts.

# The role of private climate finance

Greater climate-friendly investment will be needed to keep the world on track to the below 2 °C objective. Private investment is crucial to scaling up climate finance and closing investment gaps, complementing public finance.

A lot of potential capital from private investors, who are increasingly willing to provide money for climate-friendly investment, remains untapped. Improving conditions for attracting private investment in recipient countries is essential. This could include phasing out fossil fuel subsidies and carbon pricing schemes. Creating an enabling environment requires a robust understanding of investors' criteria and removing existing barriers to investment. This is essential to unlock more private capital.

The EU and its Member States are developing public initiatives to mobilise private climate finance directly and to support the creation of appropriate enabling environments. Several successful schemes are already in place. For example, since 2007, the EU and its Member States have established a number of blending facilities that combine grant funding with loans and cover different regions.

In 2007-2014, EU grants financed over 240 blended projects. By strategically combining EU grants with public and private financing, blending has helped unlock investments in EU partner countries. **Over EUR 1 billion in EU grants has so far been committed to** green projects with an estimated total volume of EUR 25 billion in both lowand middle-income countries.

## Mobilising investment through international financial institutions

The European Investment Bank (EIB), owned by EU Member States, is the largest multilateral provider of climate finance. Over the last five years, the EIB has invested over EUR 90 billion in climate change mitigation and adaptation projects in Europe and around the world. EIB funding acts as a catalyst to mobilise finance for climate action by encouraging others to match its long-term investment. The EIB contributes to the EU's climate and energy objectives by supporting renewable energy and energy efficiency projects, as well as investing in adaptation measures.

The ElB's investment in climate action has been strengthened in recent years, including a significant increase in its support to developing countries to more than EUR 2 billion per year. It has a target of ensuring that at least 25% of the bank's activity is for climate action, and all ElB-financed projects, regardless of sector, must comply with ElB environmental standards that reflect EU climate objectives. The new ElB Climate Strategy announced in September 2015 will further reinforce the bank's support for low-carbon and climateresilient development.

Also, individual Member States use bilateral development banks such as the Agence française de développment (AFD) and the Kreditanstalt für Wiederaufbau (KfW) which actively support the climate change agenda.

### Mobilising domestic resources and strengthening international cooperation

Scaling up climate finance must go hand in hand with stronger domestic planning and strategies, combined with conducive regulatory environments. That includes achieving synergies between development and climate objectives, which is crucial in moving towards a low-carbon, climate-resilient world.

This is at the centre of **the new 2030** Agenda for Sustainable Development, adopted in September 2015 in New York, which sets out 17 Sustainable Development Goals (SDGs). They address global priorities including ending poverty and hunger, reducing social inequality and preserving the planet's natural resources. Goal 13 specifically addresses climate change: *Take urgent action to combat climate change and its impacts, acknowledging that UNFCCC is the primary international, intergovernmental forum for negotiating the global response to climate change.* 

The EU encourages all countries to develop ambitious national responses to achieve the aims of the 2030 Agenda.

#### The Addis Ababa Action Agenda

provides a strong impetus. Agreed in July 2015 by 193 member countries at the UN Third International Conference on Financing for Development, it includes more than 100 concrete measures to revise global finance practices and generate investment for tackling a range of economic, social, climate and environmental challenges to support implementation. Reinforcing bilateral and multilateral political dialogue and strengthening regional cooperation is key to moving towards sustainable development.

# New initiatives for more climate action

#### Renewable Energy in Africa

Despite the continent's vast renewable energy sources, half of the world's households without access to grid electricity are in sub-Saharan Africa. The African Union and leaders of the seven major advanced economies (G7) are developing a common plan to install additional renewable energy capacity in this region. The G7 agreed to coordinate efforts to accelerate the development of clean energy in Africa at its summit in June 2015. This complements the significant efforts to scale up the use of renewable energies in developing countries and to combat energy poverty through the Sustainable Energy for All (SE4All) initiative, launched by the UN Secretary-General in 2011.

#### *Climate Risk Insurance Initiative*

Insurance coverage can reduce the economic risks that poor populations in developing countries face due to climate change. G7 leaders agreed to increase by up to 400 million the number of people in the most vulnerable developing countries who have access to direct or indirect insurance coverage against the negative impact of climate-changerelated hazards by 2020. This wil build on existing risk insurance facilities such as the African Risk Capacity and the Caribbean Catastrophe Risk Insurance Facility.

## Support for the INDC preparations

Intended Nationally Determined Contributions (INDC) will play a key role at COP21 in Paris. With these contributions, Parties to the United Nations Framework Convention on Climate Change (UNFCCC) – practically the whole world – set out how and by how much they will reduce their future greenhouse gas emissions as well as how they will adapt to the effects of climate change.

Due to the complexity of preparing these new national climate plans, donors have mobilised urgent funding and technical assistance to help developing and transition countries to formulate their INDC. The EU and its Member States have played a leading role in this effort, together with international partners such as the United Nations Development Programme (UNDP) and the United States. More than 100 countries have received financial and/ or technical assistance in 2015.

#### *Global Climate Change Alliance Plus*

The EU and its Member States set up the Global Climate Change Alliance (GCCA) in 2007 to support developing countries, in particular Least Developed Countries (LDCs) and Small Island Developing States (SIDS), in their efforts to integrate climate action into development planning. Adaptation measures building on national adaptation plans and disaster risk reduction are top priorities. Capacitybuilding to increase local knowledge and experience on the ground is an integral and cross-cutting part of all GCCA support programmes.

With over EUR 300 million in funding from Cyprus, Czech Republic, Estonia, Ireland, Sweden and the European Commission, the initiative has supported more than 50 programmes in 39 countries, eight regions and sub-regions.

A 2014 global evaluation recognised the GCCA's significant contribution to the formulation and implementation of national policies and dialogue on climate change. Following its success, a new phase, the Global Climate Change Alliance+ (GCCA+), an EU Flagship Initiative is being launched during 2015. This will be sharper in focus and wider in outreach. It will concentrate on three areas where the greatest impact is anticipated: integrating climate change into poverty reduction and development efforts; increasing resilience to climate-related stresses and shocks; and supporting concrete sector-based adaptation strategies.

At the same time, the GCCA+ partnership will foster synergies with current and future climate adaptation and mitigation projects at global, regional and national level.

## FINANCING CLIMATE-RESILIENT DEVELOPMENT

# Adaptation is about building resilience

Climate change affects all regions around the world. Some are experiencing more frequent extreme weather events and rainfall, while others suffer more extreme heatwaves and droughts. These impacts are expected to intensify in the coming decades.

For many countries, climate change brings additional challenges to sustainable development, threatening livelihoods through changing rainfall patterns or lower crop yields, or destroying homes and other assets. **Poor populations in developing countries are among the most vulnerable to climate change**, which may affect nearly all aspects of their lives.

Adaptation is about building resilience within communities and economies to the increased risks resulting from climate change. It is a vast and cross-cutting development challenge. The countries most vulnerable to climate change are often amongst the least developed, and thus lack human and institutional capacity as well as social and economic resources. Under the UNFCCC, least-developed countries are encouraged to engage in National Adaptation Planning processes (NAPs), to assess their vulnerabilities, to integrate climate change risks into their policies and to put in place adaptation measures. It also acknowledges that such processes can enable all countries, developed and developing, to address adaptation.

Adaptation action should be planned in the broader context of sustainable development. The EU and its Member States strongly support the NAP process and adaptation efforts in developing countries, and will continue to do so.

## Support for adaptation action from the EU and its Member States

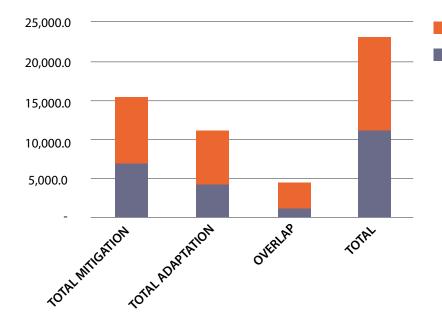
The EU and its Member States support climate-resilient development. Financial and technical support for adaptation action comes via a number of different means. These include bilateral government agreements, non-governmental organisations and the private sector, as well as a range of multilateral institutions and funds such as the Adaptation Fund and the LDC Fund, and UNFCCC financial mechanisms, namely the Global Environment Facility and the Green Climate Fund.

The most significant source of public adaptation finance from the EU and its Member States to developing countries comes through **bilateral assistance programmes**. According to the latest OECD statistics, **adaptation-relevant commitments from the EU and its Member States in 2013 amounted to USD 6.9 billion** (<sup>1</sup>), **or more than 60% of all public bilateral adaptation finance commitments.** This figure includes USD 2.1 billion specifically for climate change adaptation, and USD 4.8 billion with climate change adaptation as a significant objective (<sup>2</sup>).

This bilateral aid supports the integration of adaptation into overall development planning as well as into specific social and economic sectors such as water and sanitation, agriculture, forestry, fishing and rural development, urban planning and infrastructure development, environmental protection, and disaster risk reduction and response.

<sup>(&</sup>lt;sup>1</sup>) Assessed separately from aggregate on p. 4 using OECD tracking methodology.

<sup>(&</sup>lt;sup>2</sup>) The accounting is based on the OECD methodology 'Rio markers' to provide for quantified financial data. Expenditures are thus marked in one of the three categories: climate as principal objective (= Rio marker 2), climate as significant objective (=1), and not climate related (=0).



### GRAPH SHOWING DISTRIBUTION BETWEEN ADAPTATION, MITIGATION AND CROSS-CUTTING ACTION (2013 FIGURES IN MILLION USD)

EU (EU Institutions + Member States)Other DAC Members

Source: OECD DAC CRS

In 2013, another significant channel of adaptation finance came from **multilateral development financing institutions**. According to the OECD, total multilateral climate-related outflows addressing adaptation amounted to USD 3.3 billion in that year.

The EU and its Member States play an important role in the Multilateral Development Banks (MDB): OECD data shows they contributed more than half (57%) of climate-relevant inflows to multilateral organisations in 2013. The EU and its Member States are also the largest contributors to the UNFCCC and Kyoto Protocol funds

- About 80% of the LDC Fund cumulative funding of USD 907 million;
- About 80% of Special Climate Change Fund cumulative funding of USD 344 million;
- Over 90% of the cumulative contributions to the Adaptation Fund;
- Approximately 50% of the Global Environment Facility cumulative pledges from 1991-2014, which amounted to USD 2 billion for climate change from EU Members States.

In addition, the EU and its Member States contribute to a number of other dedicated adaptation funds and programmes. These include the **Global Climate Change Alliance** (see above) and the **Pilot Programme for Climate Resilience**, to which they have contributed more than half of the total contributions – USD 617 million.



Achieving synergies between development and climate objectives is crucial in moving towards a low-carbon, climate-resilient world.



Adaptation is about building resilience within communities and economies to the increased risks resulting from climate change. It is a vast and cross-cutting development challenge.

Examples of climate action by the European Union and its Member States with a particular focus on adaptation to climate change

For a full overview of the EU toolbox of climate finance instruments see the following EU submissions on "strategies and approaches" for scaling up climate finance towards the USD 100 billion goal:

http://bit.ly/10ksYEn http://bit.ly/1MdVOS5

In addition, the EIB provides a range of climate finance tools, see

http://bit.ly/1JAKu0D

#### CONSOLIDATION OF LOCAL ENVIRONMENTAL GOVERNANCE (COGEL)

Austrian Development Agency (ADA), Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management (BMLFUW)

#### FUNDING: EUR 6.4m

(ADA: EUR 1.6m, BMLFUW: EUR 1.3m)



The Austrian Development Agency (ADA) has been supporting the COGEL (*Consolidation de la Gouvernance Environnementale Locale*) project since 2011. COGEL's objective is to encourage the integration of climate change adaptation and mitigation measures, together with other environmental considerations, into national and local development plans.

In Burkina Faso, the problems of land degradation, preserving biodiversity, and tackling climate change are intrinsically linked. The severe degradation of soils and ecosystems, even leading to desertification, has a further damaging impact in terms of climate change.

The project supports local pilot action to show how ecosystembased adaptation schemes can work in practice. For example, Lake Dem in the north of the country is listed under the Ramsar Convention on wetlands of international importance. It is a refuge for numerous wildlife species, especially migrating birds, and supplies freshwater and flood protection. However, overgrazing, water extraction and other activities have damaged these vital natural services. With COGEL support, local communities and their leaders are involved in restoring shoreline ecosystems.

http://www.entwicklung.at/en/themes/

http://bit.ly/10ktdiD

#### CLIMATE-RESILIENT WATER MANAGEMENT AND URBAN DEVELOPMENT IN VIETNAM

Belgian Development Agency (BTC)

#### FUNDING: EUR 37.4m

Belgium's long-lasting cooperation with Vietnam recently became more concrete through a new cooperation programme which began in 2011, with a budget of EUR 60 million.

In June 2013, it launched an adaptation project to provide Vietnamese policy-makers with state-of-the-art expertise, combining climate science and water resource management.

The project focuses on three specific coastal provinces in Vietnam: Ha Tinh, Ninh Thuan and Binh Thuan. Local authorities are being equipped to deal with the challenges posed by rapid urbanisation coupled with climate change.

The aim is to identify how the changing climate will affect water flows and sea levels in these coastal areas, assess the risks and impacts of flooding, and identify actions to make communities more resilient to such threats.

This project is helping the people who live in these places to understand and adapt to changes linked to global climate change.

Lessons learned will be used to attract more donors in order to extend better planning practices throughout the country. Belgium is investing EUR 12 million in a scholarship programme to develop local skills and enable Vietnamese people to gain the knowledge and qualifications they need. Belgian cooperation is also supporting the Vietnamese Green Growth Strategy with a budget of EUR 5 million.

#### https://www.btcctb.org/en/countries/vietnam



## FLOOD-WARNING AND MONITORING SYSTEM ON THE PRUT RIVER

Czech Development Agency

#### **FUNDING: EUR 830 000**



The 989-km-long Prut River in Moldova is a tributary of the Danube. It is an important water source, but also poses a growing threat of flooding. In both 2008 and 2010, the Prut River broke its banks, causing loss of life and extensive damage to property.

An early-warning system could have helped prevent such a devastating impact. But the Moldavian government lacked the resources and expertise to install a broad network of monitoring stations.

The primary aim of the flood-warning project funded by the Czech Development Agency was to boost public awareness of the flood threat from the Prut River. A new monitoring system will offer early warning for local communities by regularly monitoring the water flow.

The second objective was to develop and demonstrate appropriate technological solutions for setting up river-basinmonitoring networks, which could be applied to other river basins as well. In this way, the project is helping communities to respond to the growing threat of climate change-related flooding.

#### http://bit.ly/1j6UCZy

### ETHIOPIA'S PRODUCTIVE SAFETY NET PROGRAMME (PSNP) AND HOUSEHOLD ASSET BUILDING PROGRAMME (HABP)

Denmark

#### FUNDING: DKK 109.5m (APPROXIMATELY EUR 14.7m)

Climate change, and the uncertainty it brings, is a serious threat to food security in Ethiopia. The people most at risk are the chronically food insecure. They lack the resources to withstand any external shock – such as drought – without support.

Since 2006, PSNP and HABP have supported more than 11.2 million people in rural areas across Ethiopia and reduced the food gaps by 42 % on average. They aim to prevent the depletion of assets that comes from repeated shocks. Most of the programmes' activities are about resilience: helping people to develop more effective ways of coping.

The PSNP runs about 47 000 community-based projects each year. Katana Kusiya is one of those who receive food in return for work on the land. "I support 11 family members and with this food I can feed my family for a month," she says. These public works have already had a positive impact on water security, reducing sedimentation by 40-50% and improving quality and supply. They have also increased land productivity by three to four times. Better farm production means that the HABP can offer a wider range of enterprise, income and employment opportunities close to home.

Danish funding also supports the Climate Smart Initiative (CSI), which helps build resilience to climate change. Other donors include the World Bank and the EU.



http://bit.ly/1j6UGsi http://bit.ly/1jKyMa3 http://bit.ly/1PhSTxa

#### ENHANCING BELIZE'S RESILIENCE TO ADAPT TO THE EFFECTS OF CLIMATE CHANGE

EU Global Climate Change Alliance

FUNDING: EUR 3.2m (GCCA: EUR 2.9m, GOVERNMENT OF BELIZE: EUR 0.3m)

Belize's economy is based on agriculture, fishing, timber and tourism. But like other low-lying Caribbean countries, it is vulnerable to hurricanes, tidal waves and floods. Extreme weather events have increased in recent years, and a rise in sea levels would threaten freshwater supplies, endangering crop production and human health.

In 2009, the Belize government adopted a National Integrated Water Management Policy, together with an adaptation strategy to tackle the impact of climate change on water supply.

Through the Global Climate Change Alliance, the EU – in cooperation with the United Nations Development Programme (UNDP) and local NGOs – has helped to launch five pilot projects. They are enabling communities to prepare for the effects of climate change, improving forest management, securing local water supplies, and building resilience among Belize's cattle producers.

"Just last year we had some severe rains," explains Agriculture Minister Hugo Pott. "When you live in a cattle farming area, you need interventions. You need readiness."



With EU support, Belize has set up a permanent climate change office in the Ministry of Natural Resources. And a study of groundwater resources should lead to the preparation of a master plan for integrated water management.

http://bit.ly/1jb4QJ9

http://bit.ly/10Vzh2J

#### THE LOCAL CLIMATE ADAPTIVE LIVING FACILITY (LoCAL)

EU Global Climate Change Alliance

#### FUNDING: EUR 9.8m (EU: EUR 4m, SIDA AND UNCDF: EUR 5.8m)



In the world's least-developed countries, local authorities understand the best way to help communities to adapt to the effects of climate change. They know where they need to invest, but they often lack the resources to do so.

The Local Climate Adaptive Living Facility (LoCAL) is supporting a number of different countries – Bangladesh, Benin, Bhutan, Cambodia, Ghana, Laos, Mali, Mozambique, Nepal, Niger and the Solomon Islands – by financing local climate change adaptation measures. As well as providing grants and technical assistance, LoCAL increases awareness and ensures that climate change is mainstreamed in local authority planning.

The Cambodian community of Bourei Cholsa, for example, used to be cut off by water in the rainy season. "We noticed the flooding was getting worse," explains local councillor Seng Sareth. "It was risky to deliver babies because women could not go to hospital. Farmers could not get to market." The solution was a new road, half a metre higher than the surrounding land. "Now we do not lose sleep any more. We have much better access to services when we need them," says Mrs Sareth.

LoCAL, which runs until 2018, is also backed by the United Nations Capital Development Fund (UNCDF).

http://www.local-uncdf.org/

http://bit.ly/1VEiWOP

### PROMOTING ADAPTATION TO CLIMATE CHANGE BY REDUCING WEATHER AND CLIMATE-RELATED LOSSES THROUGH IMPROVED SERVICES IN SUDAN (FISU)

Finland, Ministry of Foreign Affairs

#### **FUNDING: EUR 500 000**



Early warning of weather events and climate-related hazards can help communities to respond more promptly and effectively. The FISU Finnish-Sudanese cooperation and development project is designed to strengthen national meteorological services and improve responses to weather, minimising the impact on society and the economy.

The project, launched in 2011, is implemented by the Finnish Meteorological institute (FMI) in cooperation with the Sudan Meteorological Authority (SMA) and the South Sudan Meteorological Department (SSMD). In Sudan, FISU has supported the modernisation of the meteorological agency and helped to improve the weather and climate services, strengthen the early-warning process and produce a detailed plan for the development of applied research in SMA. Capacity building for senior management has also been a significant part of the work.

In South Sudan, the project has contributed towards increasing the visibility of the weather services and securing membership of the World Meteorological Organization. The observation network has been refurbished and national data collection strengthened. Combined with capacity building of technical, operational and management staff, the aim is to improve the forecasting process and products.

https://www.facebook.com/FISUproject

#### SOUTH PACIFIC: PRESERVING ISLAND ECOSYSTEMS AND MAKING THEM LESS VULNERABLE TO CLIMATE CHANGE

French Development Agency, French Global Environment Fund

#### FUNDING: EUR 2m (AFD) + EUR 2m (FFEM)

Islands in the South Pacific rely on their land and marine ecosystems for food and economic resources. The effects of climate change, such as extreme weather events or rising sea levels, combined with man-made environmental pressures, are causing heavy degradation of the natural environment with serious social and economic consequences. Preserving and restoring island ecosystems and strengthening the adaptive capacity of Pacific communities is a major challenge.

Agence française de développement (AFD) and the French Global Environment Fund (FFEM) are helping to protect the land and marine ecosystems of small states and island territories in the Pacific to ensure economic sustainability and food security. They are supporting the RESCCUE project and assisting Pacific countries and territories in the integrated management of coastal areas in Fiji, New Caledonia, French Polynesia and Vanuatu.



The project aims to enhance the resilience of land, coastal and marine ecosystems to man-made and climate pressures. It will also demonstrate the economic value of these ecosystems and set up innovative funding mechanisms to guarantee their long-term preservation.

These actions will consolidate ecosystem services and reinforce governance of local communities and their risk-management capacity. Integration of ecosystem service values into coastal management policies will build resilience to climate change, preserve coastal ecosystems, and create dynamism in economic activities that depend on biodiversity, such as fishing, tourism and agriculture.

#### http://bit.ly/1VCZ66H

#### **CLIMATE FINANCE READINESS SUPPORT**

Germany, Federal Ministry for Economic Cooperation and Development (BMZ) and Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB)

**FUNDING:** EUR 50m + EUR 5m CO-FUNDING (CZECH MINISTRY FOR ENVIRONMENT AND USAID)



The Climate Finance Readiness Programme currently supports 29 countries around the world in planning, accessing, implementing and monitoring scaled-up climate finance with an emphasis on the Green Climate Fund (GCF).

For instance, Germany has funded a Climate Finance Readiness Leadership and Shared Learning Programme for southern African partner countries Namibia, Zambia, Tanzania and Uganda. Leaders from finance and environment ministries and planning institutions have shared experiences in planning climate finance and devised national activities to prepare for climate finance.

In Colombia and Fiji, the programme is advising on how to develop concrete projects based on national climate strategies that will be carried out with GCF funds at a later date. It is providing support in setting up monitoring systems to track the use of funds. Experiences in implementation have shown that countries are keen to receive support for national coordination processes and for early involvement of the private sector in developing project pipelines.

Germany's contribution to climate finance readiness is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and Kreditanstalt für Wiederaufbau (KfW) on behalf of BMZ and the United Nations Environment Programme (UNEP), the United Nations Development Programme and the World Resource Institute (WRI) on behalf of BMUB.

#### WATER AND SANITATION (WASH) CAPACITY BUILDING IN TANZANIA

The Hungarian Charity Service of the Order of Malta

#### FUNDING: HUF 13 654 937 (APPROXIMATELY EUR 44 000)

We depend on fresh, reliable, safe water for our health and wellbeing, and for agriculture, energy production, manufacturing and many other vital activities. However, fresh water is becoming increasingly scarce and polluted.

Tanzania is already experiencing more extreme weather conditions with higher incidents and more prolonged periods of flooding and drought, affecting the country's vital water resources and supplies.



The water and sanitation capacity-building project is the fourth to be implemented in East Africa by the Hungarian Charity Service of the Order of Malta. The water sanitation facility in Dar as Salaam offers clean drinking water to vulnerable pupils in one of the largest segregated schools in the city. It provides the minimum required sanitary conditions, including shower facilities, toilets, and taps installed on the building walls giving access to fresh drinking water. Two 10000-litre water tanks supply the water. The facility includes four latrines and a sewer network, and the programme also offers training to the local community to ensure the appropriate and sustainable use of the facilities.

The programme has been supported by the Hungarian Ministry of Foreign Affairs and Trade and implemented in partnership with a local charity active in projects supplying healthy drinking water in Tanzania.

#### http://bit.ly/10kT5fS

#### http://bit.ly/1JRGqZQ

## INNOVATIVE STOVES ADOPTION APPROACH THROUGH THE SOCIAL CASH TRANSFER (SCT) PROGRAMME IN MALAWI

#### FUNDING: EUR 976 400 (SOCIAL CASH TRANSFER EUR 776 400, AND STOVES EUR 200 000)

In Malawi, 91 % of the population has no access to the national electricity grid and 93 % of all energy needs are being met by biomass, in particular firewood and charcoal. This is putting significant pressure on forests and land cover. Malawi has one of the highest global rates of deforestation, creating major environmental and climate-related effects.

Irish Aid is collaborating with the Malawi Government and Concern Universal to promote energy-efficient cooking stoves. The programme is encouraging the sustainable management and use of natural resources and integration of climate change adaptation and mitigation measures to build resilient societies. This is crucial for reducing widespread poverty and improving livelihoods, especially for those who depend on natural resource ecosystems.

There is also support for implementation of Malawi's national Social Cash Transfer Programme, in Balaka, which is helping the poorest households build resilience to climatic, economic and other shocks. Local production of clay stoves is helping to create jobs, and there are health benefits, too, following a significant decrease in indoor air pollution.

In addition, the programme's sustainability is being considered through the qualification and auditing of stoves for carbon finance. Concern Universal has experience of applying for carbon credits through stove intervention projects and has worked with communities to deliver social infrastructure by generating and using carbon finance. The carbon finance can either be invested in community infrastructure or clean-energy solutions, or paid directly to households.

Efficient stoves promoter Rashida Juma with Irish Aid vulnerability advisor Lovely Chizimba, Balaka, Malawi. Photo Aidan Fitzpatrick (June 2015)

#### http://bit.ly/1j3QlGl



#### SUSTAINING THE INTEGRATED MANAGEMENT OF RIO GRANDE, SANTA CRUZ, BOLIVIA (ANGIRG)

Italy, Ministry of Foreign Affairs and International Cooperation, Directorate General for Development Cooperation (DGCS)

## **FUNDING:** EUR 1 694 533 (DGCS: EUR 1 161 657)

n a largely rural area of Bolivia, where 79% of the population ives below the poverty line, the ANGIRG project is helping beople to adapt to the potential impact of climate change on the natural environment around them.



Water resources are crucial, with 80% of local people relying on the Rio Grande river basin for their supply. The project aims not only to improve water management but also to protect the overall environment, through sustainable development in environmental, economic and social spheres. In particular, it is giving local communities – and especially young people – the skills they need to protect and conserve natural resources and biodiversity.

The project started in March 2014 and will last for three years. The Istituto per la Cooperazione Universitaria (ICU) is running activities in cooperation with the local partner Instituto de Capacitación del Oriente (ICO), and with the support of local institutions.

These activities include a radio programme on environmental education reaching 65 000 people, and training and capacity building for teachers, students and 30 forest rangers. Some 1 150 people will benefit from improved access to water for domestic and productive uses, through an education programme promoting sustainable management of water resources, conservation zones for water springs and surrounding areas, and the installation of water-distribution systems.

The project is promoting new agricultural models appropriate to changing climate conditions, to enable families to increase food crops and sell the surplus through local markets.

#### FINANCIAL CONTRIBUTION TO THE CLIMATE CHANGE AND ADAPTATION INITIATIVE (CCAI) OF THE MEKONG RIVER COMMISSION (MRC)

Luxembourg

#### FUNDING: EUR 2m

The beneficiaries of the Mekong River Commission (MRC) Climate change and Adaptation Initiative (CCAI) are the 70 million residents living in often poor rural communities in the river's watershed. Over the last decade, rising temperatures and unpredictable rainfall have brought drought to some areas and flooding to others. Extreme weather events, such as typhoons, are becoming more frequent and severe, while the rising sea level is increasing the intrusion of salt water in fragile ecosystems and farmland in the Mekong Delta.



The MRC has a key role in preserving both the river and good relations between the four project participants: Thailand, Cambodia, Laos and Vietnam. The CCAI is focusing on building capacity in these countries to assess climate change impacts and vulnerabilities, and to find ways to protect the communities and biodiversity of the Mekong region in the face of changing climate and ecosystems.

With the support from Luxembourg, the Mekong River Commission has developed adaptation strategies and local action plans for the Mekong, to deal with transnational issues. It has produced a triennial report on climate change and progress in adaptation in the Mekong Basin and promoted more effective communication about the consequences of climate change. Finally, it has helped strengthen the capacity of national experts and policy-makers in monitoring, evaluation and reporting. SUPPORTING SIDS TO STRENGTHEN CAPACITY IN THE WATER SECTOR TO COPE WITH THE EFFECTS OF CLIMATE CHANGE The Netherlands

#### FUNDING: EUR 1.3m



Small Island Developing States (SIDS) are particularly vulnerable to climate change, due in part to the high concentration of communities along their coastal zones. Rising sea levels present significant risks to their sustainable development. Thus, the management of natural resources, in particular water, in the SIDS is vital to protect both the people and their environment, and to ensure their economic prosperity.

The Ministry of Foreign Affairs of the Kingdom of the Netherlands and UNESCO-IHE Institute for Water Education have launched the project to strengthen the capacity of professionals and decision-makers. It aims to improve water management in SIDS in order to better address future challenges such as the effects of climate change. The capacity-building programme will provide high-level training for water-sector management professionals from SIDS, giving them the tools and skills needed to increase the resilience of these states to future climate-related water challenges.

The project will provide at least 20 key water professionals with MSc-level education on relevant topics, including field-based research to be carried out on specific problems in each participant's home country. In addition, 50 water professionals and decision-makers will receive specific expertise on UNESCO-IHE short courses.

http://bit.ly/1fK1Sbl

#### http://bit.ly/10kToqS

#### MANGROVES FOR THE FUTURE (MFF)

Sweden

#### FUNDING: SEK 18m (APPROXIMATELY EUR 1925m)



Coastal communities are particularly vulnerable to the impacts of climate change. Mangroves for the Future is a regional partnership created following the 2004 tsunami in Asia. Initially, MFF focused on the countries most affected – India, Indonesia, Maldives, Seychelles, Sri Lanka and Thailand – but it now includes Bangladesh, Cambodia, Myanmar, Pakistan and Vietnam. The project aims to promote an integrated ocean-wide approach to coastal management and improve the resilience of poor coastal-zone populations facing challenges and threats related to poverty reduction, sustainable development, coastal environment care, climate change and natural disasters.

Co-chaired by the International Union for Conservation of Nature and United Nations Development Programme, MFF is disseminating knowledge about how these communities can improve their living conditions and safeguard their incomes through activities related to natural resources. MFF covers all types of coastal ecosystem, such as coral reefs, estuaries, lagoons, sandy beaches, sea grasses and wetlands.

One main focus of MFF is human rights, including gender perspectives, covering issues such as rights and ownership, access to and use of mangrove forests, and land-management plans and strategies involving all stakeholders in related and connected ecosystems. The aim is to increase the opportunities for people living in mangroves and coastal areas and to reduce poverty by using an ecosystem approach.

In Bangladesh, Indonesia and Vietnam, the countries piloting MFF, 53 small grant projects have developed country-specific methodologies to enhance local governance and benefit-sharing mechanisms, such as the Payment for Ecosystem Services.

https://www.mangrovesforthefuture.org/

#### BUILDING RESILIENCE AND ADAPTATION TO CLIMATE EXTREMES AND DISASTERS (BRACED)

United Kingdom

## FUNDING: UP TO GBP 140m (APPROXIMATELY EUR 190m)

Climate change is resulting in an increasing number of extreme climate events, such as floods, storms, droughts and landslides which, in turn, present significant barriers to development and economic growth.

The Building Resilience and Adaptation to Climate Extremes and Disasters (BRACED) programme is working in the Sahel and seven other African and Asian countries to help poor people who are most at risk from climate-related disasters. Following the selection of 15 consortia in January 2015, grants are being provided to non-governmental organisations, research bodies, the private sector, local government and other agencies to scale up proven technologies and practices such as flood protection, water harvesting, early-warning systems, community adaptation planning and insurance schemes. The overall aim is to enhance both national and international capacity to respond to climaterelated disasters and climate adaptation.



BRACED projects aim to directly support 2.5 million people, especially women and children, to cope with the impacts of extreme climate events, while indirectly supporting around 3 million more. In the longer term, through the work of the Knowledge Manager and through supporting national and regional institutions, the aim is to make a sustained and transformational impact on the resilience of vulnerable people in communities beyond the 13 countries in which BRACED is operating.

The project also plans to assess how their resilience improves over the lifetime of the programme, and establish a contingency funding mechanism for the Sahel projects.

http://www.braced.org/

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