



UNFCCC Post-2012 Negotiations and the Nairobi Work Programme on Adaptation

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Climate-related disasters represent a major source of risk for the poor in developing countries, and the losses caused are seen as a major threat to the achievement of the United Nations Millennium Development Goals (MDGs). Immediate adaptation action is required, as the economic costs of climate-related disasters are high, and continuing to rise (UNFCCC 2007a, UNFCCC 2008a). Although adaptation covers a range of risks not restricted to disasters, disaster risk reduction (DRR) can be considered as a first line of defence in adaptation to climate change, particularly for the most vulnerable countries including Small island developing States (SIDS), Least Developed Countries (LDCs) and countries in Africa suffering from drought, desertification and floods. Adaptation is now identified under international negotiations as an essential partner to mitigation in combating the impacts of climate change, including impacts from extreme events and disasters.

Adaptation is identified under the United Nations Framework Convention on Climate Change (UNFCCC) in a number of articles:

All Parties are to “formulate, implement, publish and regularly update national and, where appropriate, regional programmes containing measures to ... facilitate adequate adaptation to climate change”. Article 4.1(b)

All Parties shall “Cooperate in preparing for adaptation to the impacts of climate change; develop and elaborate appropriate and integrated plans for coastal zone management, water resources and agriculture, and for the protection and rehabilitation of areas, particularly in Africa, affected by drought and desertification, as well as floods”. Article 4.1(e)

All Parties shall “Take climate change considerations into account, to the extent feasible, in their relevant social, economic and environmental policies and actions, and employ appropriate methods, for example impact assessments, formulated and determined nationally, with a view to minimizing adverse effects on the economy, on public health and on the quality of the environment, of projects or measures undertaken by them to mitigate or adapt to climate change”. Article 4.1(f)

“The developed country Parties ... shall also assist the developing country Parties that are particularly vulnerable to the adverse effects of climate change in meeting costs of adaptation to those adverse effects”. Article 4.4

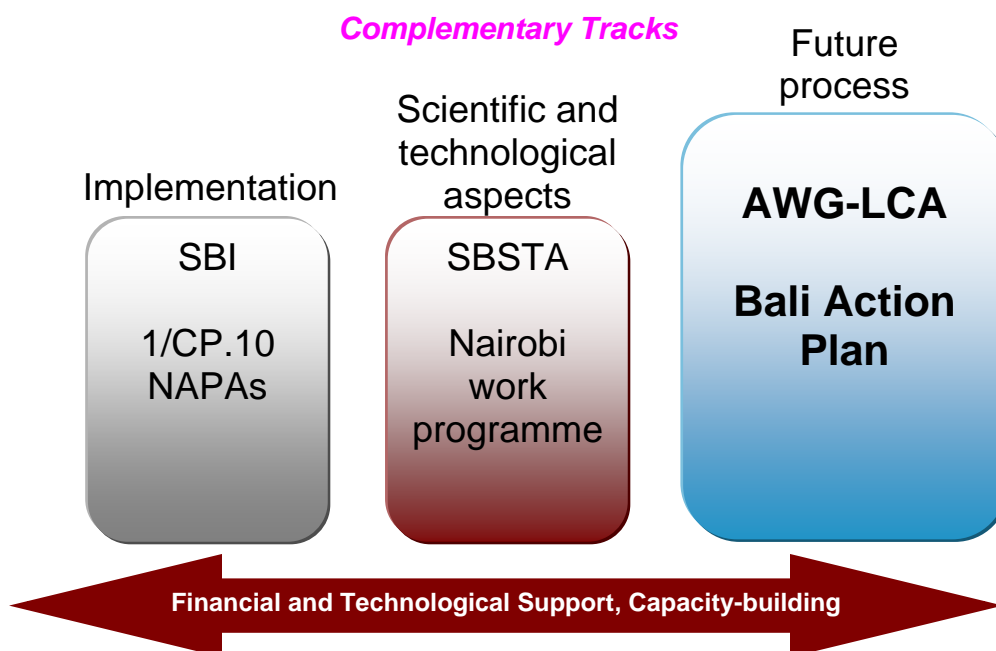
“The Parties shall give full consideration to what actions are necessary under the Convention, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change and/or the impact of the implementation of response measures, especially on

(a) Small island countries;

- (b) Countries with low-lying coastal areas;
- (c) Countries with arid and semi-arid areas, forested areas and areas liable to forest decay;
- (d) Countries with areas prone to natural disasters;
- (e) Countries with areas liable to drought and desertification;
- (f) Countries with areas of high urban atmospheric pollution;
- (g) Countries with areas with fragile ecosystems, including mountainous ecosystems;
- (h) Countries whose economies are highly dependent on income generated from the production, processing and export, and/or on consumption of fossil fuels and associated energy-intensive products; and
- (i) Land-locked and transit countries". Article 4.8

“The Parties shall take full account of the specific needs and special situations of the least developed countries in their actions with regard to funding and transfer of technology”. Article 4.9

Discussions on Adaptation under the Convention are ongoing under 3 complementary tracks



Discussions on adaptation are taken up in agenda items of three UNFCCC bodies, the Subsidiary Body for Implementation (SBI), the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Ad-Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA)

Adaptation under the SBI: Decision 1/CP.10

Adaptation challenges (as identified by workshops and submissions under 1/CP.10) (UNFCCC 2007b) include:

Financial resources: challenges in accessing existing funds; gaps between financial support available and funds required for facilitating adaptation in developing countries; and needs for additional, sufficient, predictable and sustainable financial resources, and for diversifying the sources of financial support.

Policy frameworks: need for co-ordinated and comprehensive approaches to support adaptation within the context of sustainable development; and need for integrating adaptation into sectoral planning and national development policies.

Co-operation and synergies: need for long-term, programmatic, comprehensive approach; public awareness; South-South, South-North, North-South and North-North Collaboration; and synergy with other national priorities.

Technical and methodological challenges: development, dissemination, training and application of methodological frameworks, methods and tools for assessing vulnerability and adaptation; and sound scientific information, systematic observation and monitoring tools.

NAPAs

Also discussed under the SBI, National Adaptation Programmes of Action (NAPAs) provide an important way to prioritise urgent adaptation needs for LDCs (Article 4.9). They draw on existing information and community-level input to identify priority adaptation projects required now in order to enable these countries to cope with the immediate impacts of climate change. A number of NAPA projects focus on the need for increased risk management including better weather monitoring and early warning systems and food outlook forums.

Adaptation under the AWG-LCA

The Conference of the Parties, at its 13th session in Bali, launched a comprehensive process to enable the full, effective and sustained implementation of the Convention through long-term cooperative action, now, up to and beyond 2012, in order to reach an agreed outcome and adopt a decision at its fifteenth session, by addressing five main pillars (Decision 1/CP.13, para 1).¹ The five pillars of the Bali Action Plan are:

1. A **shared vision for long-term cooperative action**, including a long-term global goal for emission reductions, to achieve the ultimate objective of the Convention...
2. Enhanced national/international action on **mitigation** of climate change...
3. Enhanced action on **adaptation**...
4. Enhanced action on **technology development and transfer** to support action on mitigation and adaptation...
5. Enhanced action on the provision of **financial resources and investment** to support action on mitigation and adaptation and on technology cooperation...

Discussions are currently being conducted under the AWG-LCA, which shall complete its work in 2009 and present its outcome to the Conference of the Parties for adoption at its fifteenth session (in Copenhagen, 2009). The four components that have so far framed the adaptation deliberations under the BAP are: National Planning for Adaptation; Streamlining and scaling up financial and technological support; Enhancing knowledge sharing; and Institutional frameworks for adaptation.

¹ COP decision 1/CP.13 Bali Action Plan. <http://unfccc.int/resource/docs/2007/cop13/eng/06a01.pdf#page=3>

Managing and reducing risk, and building resilience, are important building blocks for adaptation, and can be integrated into broader adaptation strategies and national adaptation programmes. Mechanisms to manage, reduce and share risk would assist Parties, and particularly those most vulnerable, to better respond to the adverse effects of climate change.

Under the AWG-LCA, a range of ideas and proposals have been submitted and discussed by Parties. These have been put together in an “Assembly document”, FCCC/AWGLCA/2008/16/Rev.1, produced by the AWG-LCA Chair from submissions on the BAP by Parties and organizations (UNFCCC 2008b). This document puts all the ideas of Parties and organizations on the table to facilitate discussions towards COP15.

Discussions on adaptation focusing on risk reduction and management include how to deal with risk as well as insurance-related mechanisms for reducing risk; formulating and implementing adaptation plans, including integrating, prioritizing and effectively using scientific information; enabling environments, including such aspects as incentivizing adaptation, economic diversification and knowledge sharing; and employing financial resources and technology.

Parties agree that resilience should be fostered through:

- Consideration of risk management and risk reduction;
- Disaster reduction strategies, utilizing the experience of the Hyogo Framework and means to address loss and damage associated with climate change impacts;
- Engaging the private sector and other relevant stakeholders and communities;
- Building capacity in the area of risk reduction and management.

There is a possible need for a new risk mechanism, created under the UNFCCC, incorporating such areas as insurance, rehabilitation and compensation and risk management.

Parties are discussing the need for an overarching framework on adaptation to contain a number of components.

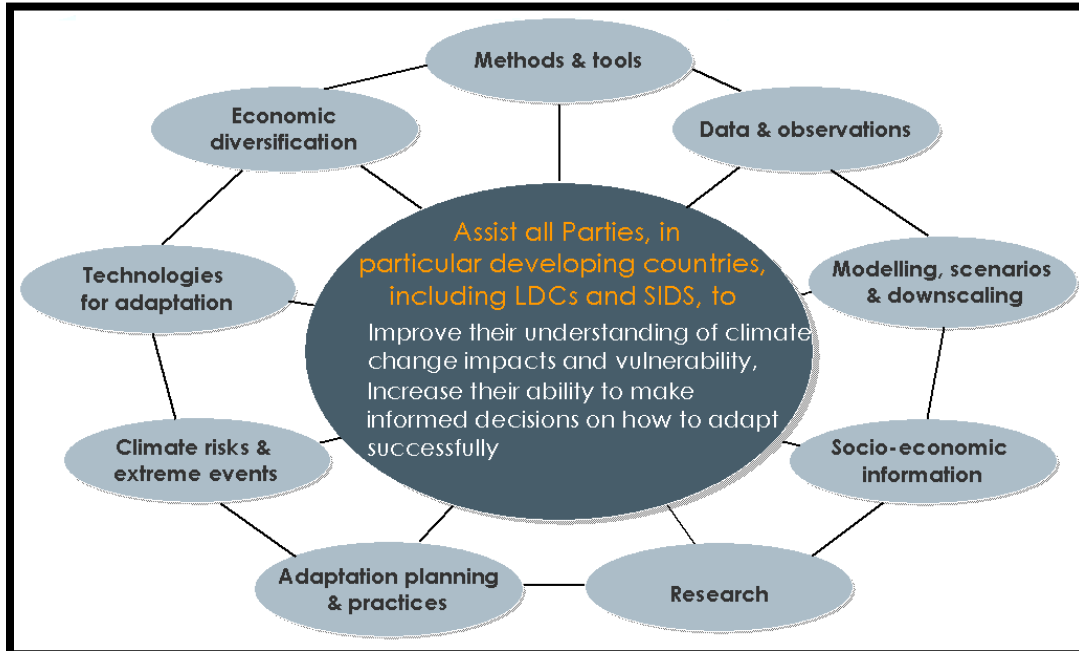
- Preparation of national adaptation plans, the integration of adaptation into national planning and policies, supported by enabling environments and increased knowledge sharing among all Parties.
- Streamlined, sustained and sufficient financial and technological support.
- Risk reduction and risk management, particularly for the most vulnerable countries - Least Developed Countries (LDCs), Small Island Developing States (SIDS) and countries in Africa affected by drought, flood and desertification.

Adaptation under the SBSTA: The Nairobi Work Programme

The Nairobi work programme on impacts, vulnerability and adaptation to climate change aims to help all countries improve their understanding and assessment of the impacts of climate change and to make informed decisions on practical adaptation actions and measures. It has established itself as the major international knowledge sharing mechanism for adaptation, and may continue serving such a role in the future process. It is mandated to consider the results of the IPCC assessments in its work.

There are nine work areas under the Nairobi work programme:

1. Methods and tools
2. Data and observations
3. Climate modelling, scenarios and downscaling
4. Climate related risks and extreme events
5. Socio-economic information
6. Adaptation planning and practices
7. Research
8. Technologies for adaptation
9. Economic diversification



Gaps and needs on risk management have been discussed at workshops and in submissions to the Nairobi work programme, and a number of messages have emerged:

Successful integration of climate change adaptation, disaster risk reduction and development requires identifying and understanding information, experiences and methodologies that experts in disaster risk reduction, climate change and development can provide, and designing systems to share such experiences and link knowledge. This involves overcoming institutional barriers to the integration of such experience and information, and to establish working relationships between the experts.

While useful experience exists in dealing with past and current climate-related risks, there is a need to increase understanding of relevant disaster risk reduction tools in the context of climate change adaptation and to strengthen intersectoral collaboration to better understand and manage such risks. Integrated risk assessments are an important part of adaptation and should involve national meteorological and hydrological services and relevant sectoral experts and practitioners. Traditional knowledge is important for understanding and managing climate-related risks, but is being rapidly lost and needs to be documented.

The programme has identified that management measures, such as early warning systems, and risk-sharing mechanisms such as insurance, need to be further explored and expanded.

Relevant activities identified by the Nairobi work programme that should be undertaken to assist risk management include the need to:

- Assess and provide guidance on the links between disaster risk reduction strategies and adaptation.
- Allow continuous access to information on data archives and databases necessary for risk assessment and prediction.
- Build capacity for the integration of climate-based information and services through collaboration dialogues, such as agricultural and food security outlook forums or health outlook forums, especially for malaria.
- Undertake risk-mapping of health impacts. Develop and standardize key indicators to monitor changes in health impacts and the effectiveness of climate-related risk reduction and adaptation measures.
- Analyze the links between people's livelihoods and the ecosystem services provided by coral reefs, mangroves and wetlands with a view to identify and disseminate options for risk management, in particular for vulnerable coastal communities.
- Explore and advance insurance-related instruments for coping with climate variability and climate change and promoting adaptation, and analyze their role in inducing changes in decision-making towards more risk reduction.
- Document, catalogue, use and, as appropriate, disseminate traditional knowledge to assist climate risk reduction and adaptation planning, including how indigenous practices can be blended with scientific knowledge in assessing, predicting and managing climate-related risks.
- Enhance efforts in developing and applying methods for assessing the costs and benefits of adaptation options and the costs of inaction in all sectors, including non-monetary costs associated with impacts on ecosystem services and indigenous cultures.

The Nairobi work programme continues to engage with Parties, organizations, the private sector and communities to share knowledge and assist implementation of adaptation action including on all aspects of risk.

Support for adaptation under the convention

There are three main tracks for adaptation support according to the Convention (Article 4.8): funding, technology transfer and insurance-related actions.

Discussion under the AWG-LCA are promoting enhanced action on **technology development and transfer** to support action on mitigation and adaptation, and enhanced action on the **provision of financial resources and investment** to support action on mitigation and adaptation and technology cooperation.

Current funding under the Convention, operated by the Global Environment Facility (GEF), includes the GEF Trust Fund, the SCCF and the LDC Fund. The GEF is mandated to work with its agencies to improve communication with LDCs and to expedite the process for project

development and implementation. A step-by-step guide for NAPA implementation is being developed by the LDC Expert Group.

Current funding under the Kyoto Protocol includes the Adaptation Fund (AF), operated by the AF Board. There are now institutional arrangements in place for the AF to start funding projects in 2009.

Insurance-related actions can enhance financial resilience to external shocks and provide a unique opportunity to spread and transfer risk. They may provide incentives for risk reduction and prevention while engaging the private sector in climate change response action.

The current and potential mechanisms to manage financial risks from direct impacts of climate change in developing countries are discussed in the UNFCCC Technical paper FCCC/TP/2008/9 (UNFCCC 2008c). The paper concluded that developing countries require a portfolio of mechanisms, including insurance, to manage risks, as no one mechanism can meet the range of circumstances required by all countries. Proposals were also put forward at an in-session workshop on risk management and risk reduction strategies, including risk sharing and transfer mechanisms such as insurance, during COP14 (UNFCCC 2008d). Proposals included one by AOSIS for a Multi-Window Mechanism, and one by MCII for a Risk Management Framework. Several areas of interest and convergence have emerged during discussions, which could be further considered by Parties. These include:

- The development of enabling environments for implementing risk management and risk reduction strategies will be essential. This can be achieved through public-private partnerships; supportive regulatory frameworks; action to integrate climate risk reduction into national development planning and policies; policy frameworks for research, development and investment; and sharing of experience and information, including at the regional level;
- Various financial mechanisms for risk sharing and risk transfer have the potential to stimulate preventive action, as well as to provide support for disaster relief and recovery. Options range from microinsurance for the most vulnerable communities to regional instruments that span several countries. However, financial instruments such as insurance are context-specific and their application needs to be based on careful consideration;
- Developing, adopting and scaling up these financial mechanisms in developing countries is hampered by considerable gaps in data and technical capacity and a lack of financial resources. Support from the international community is required to address these barriers;
- Joint schemes and international and regional coordination and cooperation should also be promoted, with a view to accelerating the uptake of financial mechanisms for risk sharing and risk transfer by vulnerable communities and countries.

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UNFCCC (2008c) Technical paper on mechanisms to manage financial risks from direct impacts of climate change in developing countries (FCCC/2008/TP/9) <http://unfccc.int/resource/docs/2008/tp/09.pdf>

UNFCCC (2008d) Report on the workshop on risk management and risk reduction strategies, including risk sharing and transfer mechanisms such as insurance (FCCC/AWGLCA/2008/CRP.7)