

The Allied for Climate Transformation 2025 (ACT2025) consortium is a consortium of think tanks and experts working to deliver ambitious, balanced, just, and equitable outcomes at the UN climate negotiations, elevate and amplify the needs and priorities of vulnerable developing countries, and chart a path toward greater global solidarity. This paper is part of a series that supports the ACT2025 Alliance Statement – a set of recommendations for COP27 that can help keep us on the path to achieving the goals of the Paris Agreement. For more information and contact details visit www.wri.org/ACT2025.

### **CONTEXT AND RATIONALE**

Droughts, extreme heat, floods, and wildfires are irreversibly changing landscapes, threatening several million people's food security and livelihoods, and posing both physical and mental health risks. Climate extremes are accelerating changes on land and in the ocean, causing widespread adverse impacts and, in some cases where adaptation is not possible, related losses and damages to nature and people. In 2020 alone, over 1,770 weather-related events were recorded, which led to more than 30 million new displacements.¹ This is the highest number since 2010, when 15.5 million displacements in China were recorded as a result of flooding.² The year 2022 has already seen increased incidence of drought, flood, rising sea level, wildfire, cyclones, and other climate extreme events across the globe, exacerbating the devastating impacts of the COVID-19 pandemic. The severity, frequency, and recurrence of their impacts are deepening existing vulnerabilities and poverty and hardship in highly vulnerable areas, causing high levels of mortality, displacement, losses, and a rise in a diverse set of threats to human security around the world. The Intergovernmental Panel on Climate Change (IPCC) estimates that between 3.3 billion and 3.6 billion people are already living in contexts that are highly vulnerable to climate change,³ while the Word Bank suggests that climate change will drive 32–132 million more people into extreme poverty by 2030.⁴

## THE POOR ARE BEARING MOST OF CLIMATE IMPACT

While vulnerable communities have contributed the least to climate change, they are the ones bearing its greatest impacts. These countries are concentrated in the Small Island Developing States (SIDS), South Asia, Central and South America, as well as a greater part of Sub-Saharan Africa. Poor developing countries recorded significant

<sup>1</sup> Skynews analysis of data from the International Displacement Monitoring Center; see https://news.sky.com/story/climate-change-the-people-forced-from-their-homes-by-floods-wildfires-storms-and-sea-level-rise-12355533.

<sup>2</sup> Ibio

<sup>3</sup> IPCC, WGII, 2022: Summary for Policymakers, p. 14.

<sup>4</sup> World Bank. 2020. "Poverty and Shared Prosperity 2020: Reversals of Fortune." https://www.worldbank.org/en/publication/poverty-and-shared-prosperity.

## **ABBREVIATIONS**

AC Adaptation Communications

ACT2025 Allied for Climate Transformation 2025

AGR2021 Adaptation Gap Report

AR7 Seventh Assessment Report

CAF Cancun Adaptation Framework

COP26 2021 United Nations Climate Change Conference COP27 2022 United Nations Climate Change Conference

GEF Global Environment Facility
GGA Global Goal on Adaptation

IPCC Intergovernmental Panel on Climate Change

LDCs Least Developed Country
NAP National Adaptation Plan

NDCs Nationally Determined Contribution

SIDS Small Island Developing States

UNEP United Nations Environment Programme

UNFCCC United Nations Framework Convention on Climate Change

WGII Working Group II

WMO World Meteorology Organization

mortality from droughts, storms, and floods between 2010–20, 15 times higher than the countries with less vulnerability, according to the IPCC.<sup>5</sup> In low-income countries, each severe weather event caused an average of almost 20,000 displacements last year, compared with 4,000 in the wealthiest nations.<sup>6</sup> The World Meteorology Organization (WMO) says that a climate-related disaster occurred every day on average over the past 50 years, killing 115 people and causing US\$202 million in losses daily. It also finds that 91 percent of all weather, climate, and water-related deaths over the same period occurred in developing countries.<sup>7</sup>

With the continuous rise in global emissions and increase in climate risks, especially for vulnerable communities and countries around the world, enhanced action on adaptation has become an urgent priority. According to the IPCC report, every increment of additional warming increases the likely frequency and intensity of extreme events and escalates threats to people, species, and ecosystems, thus making even a 1.5°C increase in warming—the global temperature target in the Paris Agreement—unsafe for all.<sup>8</sup> Hence, the urgency to enhance action on climate adaptation needs to be reflected in the focus, discussions, and decisions of governments in not only the 2022 United Nations Climate Change Conference (COP27) but also in other platforms for global climate governance, including the IPCC, the G7, G20, and United Nations General Assembly, to mention a few.

<sup>5</sup> IPCC, WGII, 2022: Summary for Policymakers, p. 14.

<sup>6</sup> Skynews analysis of data from the International Displacement Monitoring Center; see https://news.sky.com/story/climate-change-the-people-forced-from-their-homes-by-floods-wildfires-storms-and-sea-level-rise-12355533.

<sup>7</sup> WM0 (World Meteorology Organization). 2021. "WM0 Atlas of Mortality and Economic Losses from Weather, Climate, and Water Extremes (1970–2019)." https://library.wmo.int/doc\_num.php?explnum\_id=10989

<sup>8</sup> IPCC 2022, WGI, Summary for Policy Makers Wq1, p. 16-18. https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC AR6\_WGI\_SPM.pdf

This chapter highlights key areas where more effort/accelerated action is required on adaptation in the run up to COP27. This list elaborates on the Call for Enhanced Implementation, which the Allied for Climate Transformation 2025 (ACT2025) consortium published and builds off the Alliance Statement published in the run up to COP26.9

### THREE AREAS FOR URGENT ACTION

By COP27, countries need to make progress in three key areas. These include:

- Making substantive progress under the Glasgow-Sharm el-Sheikh Work Programme on the Global Goal on Adaptation (GGA).
- Fast-track preparation of National Adaptation Plans (NAPs) and Adaptation Communications (ACs).
- Providing predictable, grant-based funding for the preparation and implementation of adaptation plans.

The above are intrinsically linked. The articulation of the global goal on adaptation will provide the acceptable metrics and boundaries for tracking our collective progress and gaps in building adaptive capacity and resilience while reducing vulnerability. The GGA will in turn find articulation at the national level through NAPs and ACs, while underscoring the financing needs of a developing country. These three together will also be essential components for the periodic Global Stocktake of progress, as agreed in the Paris Agreement.

## Make substantive progress under the Glasgow-Sharm el-Sheikh Work Programme on the Global Goal on Adaptation

Adaptation has long been accepted to be on equal footing with mitigation and is a key pillar of climate action under the United Nations Framework Convention on Climate Change (UNFCCC). However, action on adaptation has continued to lag behind mitigation, even as the ambition gap for mitigation remains.<sup>10</sup> In fact, the persistent ambition gap exacerbates the impacts of the climate crisis and emphasizes the dire need for adaptation action.

A key step by Parties intended to raise the profile of and enhance action on adaptation during COP21 was the establishment of the GGA in Article 7 of the Paris Agreement. The goal aims to provide a framework for articulating the information, data, process, action, and support needed to reduce vulnerability to climate change, strengthen resilience, and enhance the adaptive capacity of countries and communities. The GGA was also established with the view of enhancing the status of adaptation and improving financial flows to climate-vulnerable communities. It is envisaged that a global goal will contribute to the evaluation of progress towards sustainable development and help to ensure an adequate adaptation response in the context of the temperature goal. However, to date, there is no clarity or consensus on how best to operationalize the goal and assess progress.

Close to seven years since the establishment of the GGA through the Paris Agreement, not much progress has been made. Countries continue to lack clear guidance on what and how to track progress toward adaptation commitments, including national-level metrics and indicators that can be quantified and aggregated collectively to facilitate the monitoring and understanding of collective progress against the global goal on adaptation. Assessing the progress toward the global goal is critical to identify not only the adaptation action already implemented, but also additional actions needed, and the support required to implement them, including level of adaptation finance and other types of support. With the latest findings from the IPCC report indicating that our pathways to limiting temperature increase to 1.5°C are rapidly closing, the need for adaptation will only increase—and exponentially so. This link between the adaptation and temperature goals means that the adequacy of adaptation action should be assessed in the context of the different temperature pathways. The lack of elaboration of gaps in adaptation action and financing points to potential crisis in its implementation.

The limited progress made so far in defining the GGA has hampered action in several developing countries that have been expecting to draw from the tools and outcome of the work to more systematically identify their needs, cost, and vulnerability so they can better respond to climate change impacts. Therefore, further delay of the Work Programme is bound to increase vulnerability among countries and communities.

<sup>9</sup> The Call for Enhanced Implementation is accessible at: https://www.wri.org/initiatives/allied-climate-transformation-act2025/publications/cop27-call-enhanced-implementation

Some estimates suggest an emissions gap of up to 30 GtC02e by 2030 based on the current emissions rate (see Emission Gap Report 2021 (https://www.unep.org/resources/emissions-gap-report-2021) and IPCC WGIII, 2022 Summary for Policy Makers (https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC AR6\_WGIII\_SPM.pdf)).

Parties at COP26 in Glasgow recognized that important challenges remain with respect to several aspects of the GGA, including defining the goal, methodologies, indicators, data and metrics, needs and support, and monitoring and assessing progress. Parties therefore established<sup>11</sup> a two-year Glasgow–Sharm el-Sheikh Work Programme for the GGA.<sup>12</sup> Countries mandated the Work Programme to convene regular workshops, meetings, and other events to pursue various aspects of the GGA with a view toward enhancing understanding of the goal and enabling its full and sustained implementation.

In order to be successful, the Work Programme should do two things:

#### 1. Call on the IPCC to technically support the GlaSS Work Programme

To credibly develop the GGA, Parties should request the IPCC to develop guidance to facilitate the assessment of the GGA and produce a special report on adaptation progress for further elaboration in the Seventh Assessment Report (AR7). Recruiting the support of the IPCC and experts will help ensure that progress on the GGA is based in the best available science and considers regional and local impacts of climate change, response options, and adaptation needs. Simply inviting Working Group II (WGII) of the IPCC, which focuses on climate impacts, to present findings relevant to the GGA is not enough, especially given the urgency to scale up action on adaptation in the context of rising emissions and pervasive impacts. The IPCC has historically played a significant and leading role in providing the best available science to inform negotiations. Taking a cue from the extensive and valuable work done by the IPCC in developing Guidelines for National Greenhouse Gas Inventories, the IPCC can and should be requested to develop guidelines for reviewing progress on adaptation. The Technical Guidelines for Assessing Climate Change Impacts and Adaptations published by the IPCC in 1994, as well as extensive work done by WGII in recent assessment review cycles, can inform the development of such guidelines.

Similarly, in the way that the UNFCCC requested the IPCC to produce a Special Report on Global Warming of 1.5°C, the IPCC can and should also be requested to produce an assessment of progress on the GGA, which can take the form of a special report in its AR7 and to have an expanded assessment of progress on the GGA in WGII's contribution to AR7. The mandated research dialogues between Parties and the IPCC can then be used as focused technical exchanges of information on findings in the IPCC reports.

#### 2. The GGA should adopt a country-driven and flexible framework

A consistent and coherent framework for the GGA should reflect the country-driven nature of adaptation and avoid creating any additional burden for developing country Parties, especially with regards to data collection and reporting. It must also provide sufficient flexibility for countries to describe their own adaptation objectives and progress in achieving them. It should be stressed that building adaptive capacity, increasing resilience, and reducing vulnerabilities—the major objectives of the GGA—cannot be defined in prescriptive terms, as these can look very different depending on one's perspective and context. An inherent danger in attempting to provide a global overview of progress is that these perspectives can be lost. This can lead to a distorted, simplified view of adaptation progress and potentially channel adaptation finance to issues that are easily quantified or immediately apparent, at the expense of more complex or nuanced issues. A simplistic overview of progress can also lead to inclusion of maladaptive measures, which was noted by the IPCC report as being on the rise in climate-vulnerable countries.<sup>13</sup> Furthermore, a combination of both qualitative and quantitative approaches in reviewing overall progress made in achieving the GGA must be pursued. This will help to generate a more holistic picture of adaptation progress and balance the strengths and weaknesses of the different approaches.

## Fast-track preparation of National Adaptation Plans and Adaptation Communications

A second and vital area where urgent progress is required to help scale up action on adaptation is the preparation of NAPs and ACs. Established under the Cancun Adaptation Framework (CAF) in 2010, the NAP process was designed to enable developing-country Parties to identify medium- and long-term adaptation needs and develop and implement strategies and programs to address those. In 2015, the Paris Agreement mandated *all* Parties to develop and submit NAPs and Adaptation Communications. As of early 2021, only about 20 NAPs had been submitted to the central portal. By COP26, about 34 NAPs had been submitted. While it is nice to see that the number is gradually increasing, the total submitted still falls far short of expectations, reflecting just 17 percent of countries that are signed on to the Paris Agreement.

<sup>11</sup> Decision 7/CMA.3.

<sup>12</sup> The work is to be carried out jointly by the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI), with contributions from the current and incoming presidents of the Conference of the Parties (COP), the Adaptation Committee, WGII of the IPCC, as appropriate, and other relevant constituted bodies, and experts.

<sup>13</sup> IPCC, WGII, 2020. Summary for Policy Makers, p. 28-29.

As noted by countries at COP26, the NAPs submitted to date help to enhance the understanding of adaptation needs and priorities and implementation of adaptation actions. This can include the urgency of scaling up finance, capacity building, and technology transfer enhancing adaptive capacity, strengthen resilience, and reduce vulnerability to climate change. NAPs can play a vital role in helping countries take a participatory approach in understanding climate risks and impacts, as well as in integrating adaptation action into local, national, and regional planning. NAPs also play an important role in making progress toward the GGA by providing a better understanding of adaptation impacts, risks, needs, and costing. For all these reasons, it is of the utmost importance that countries accelerate the preparation of NAPs.

However, the preparation of NAPs is not always straightforward, and necessitates some support. A review conducted by the NAP Global Network (NAP-GN) reports indicates that there remains wide variation in the objectives, approaches, and methodologies for the development of NAPs, as well as with the evaluation and reporting processes. There are also issues with the reliability of data, rigor of methodology, very little reporting on gender and social inclusion, and a lack of systematic monitoring and evaluation of adaptation action in most sectors. With limited local participation, the opportunities for the NAP elaboration process to serve as a vehicle for supporting locally led adaptation and building local capacity are not always fully harnessed. There is, therefore, a need for clear and easily assessable information on best practices and lessons learned from across countries to aid understanding and support.

Adaptation communications are thus important—they help to highlight progress, adaptation efforts, barriers, challenges and gaps, and what works in different contexts, offering guidance and tools to help replicate success. Adaptation communications will also help to monitor and report on the support provided by developed countries for the preparation of NAPs, as well as measuring progress on the GGA. Parties should accelerate preparation and submissions of Adaptation Communications to advance adaptation learning and progress.

# Provide predictable, grant-based funding for the preparation and implementation of adaptation plans

A major factor inhibiting urgent action on adaptation is the lack of finance. While climate finance has generally been grossly inadequate, adaptation has received even less finance compared to mitigation. At the same time, the lack of predictability with regards to how, when, and for how long the limited available finance will be available and disbursed compromises long-term planning within countries, and hinders their own investments. According to UNEP, adaptation costs for developing countries could range from \$140 billion to \$300 billion per year, and up to \$500 billion annually by 2050. The sixth edition of the United Nations Environment Programme (UNEP) Adaptation Gap Report (AGR2021) featured the status and progress of global adaptation planning, finance, and implementation. While it was reported that despite the COVID-19 pandemic, climate change adaptation is becoming increasingly embedded in policy and planning across the world, a review of updated Nationally Determined Contributions (NDCs) and NAPs indicated that estimates of adaptation financing needs are increasing in many countries. It is widely acknowledged that efforts are still largely incremental, reactive, and small-scale, with most focusing only on current impact or near-term risks. There exists a gap in the adaptation levels and needs due to limited financial support.

There was some, albeit limited, progress at COP26, during which climate finance providers made specific commitments to increase their support for adaptation. Over US\$350 million was committed to the Adaptation Fund and over US\$600 million was pledged to the LDC Fund. These were record-breaking contributions toward building the resilience of vulnerable communities, safeguarding livelihoods, and protecting lives. Developed countries also committed to doubling adaptation finance by 2025. At COP26, the European Commission, Belgium, Italy, Australia, New Zealand, and the African Development Bank joined the Champions Group on Adaptation Finance, with commitments to achieving a balance in climate finance between adaptation and mitigation. This group is anticipated to collectively provide about US\$12.7 billion in adaptation finance by 2025. Further, this group is also committed to addressing the quality and accessibility of adaptation finance, including looking at concessionality and the complexity of different fund and donor requirements. However, despite these markers of progress, developed countries remain short of fulfilling the US\$100 billion annual goal originally promised by 2020.

<sup>14</sup> NAP Global Network (2021). Resilience in Action: Five years of supporting National Adaptation Plan (NAP) processes. International Institute for Sustainable Development. https://napglobalnetwork.org/wp-content/uploads/2021/01/napgn-en-2021-resilience-in-action.pdf

<sup>15</sup> Adaptation Finance Gap Report 2021 (p.29) https://climateanalytics.org/media/agr2016.pdf.

This credibility gap, coupled with fact that pledges are still fall far from vulnerable countries' needs, limits the ability of countries to develop NAPs and implement adaptation action, and foments further distrust. Countries are struggling to access available resources – like through the Global Environment Facility (GEF)-funded, UNDP-implemented NAP Support program. This support program primarily consists of workshops and other technical assistance to help LDCs implement NAPs, but has not yielded the desired dividend. Similarly, 11 countries have submitted up to 25 projects from their NAPs to the Green Climate Fund (GCF), but only 6 countries have received approval and financing. Many developing countries have also complained that the guidelines for developing NAPs are unnecessarily long and complicated. Therefore, in addition to the urgent need to scale up the support available to developing countries to develop their NAPs, there is also a need to ensure that the processes for accessing available and future support are not too cumbersome as to prevent poor countries from accessing such support. The focus should be to make the process less bureaucratic and targeted at producing high quality, contest-sensitive, actionable plans.

It is often argued that poor countries should push to have the private sector more involved in the implementation of adaptation plans. However, effective frameworks to make these possible still seem somewhat elusive. Furthermore, private sector financing is unpredictable, often requires a strong business-case, and lacks understanding of the risks that they will be taking on.

There is also a need to make adaptation finance more accessible. For a long time, developing countries have strongly encouraged developed countries to commit to commensurate and concrete pledges for adaptation action that are more concessional loan-and grant based—especially through more predictable replenishment of the Adaptation Fund. Grant-based and highly concessional finance is particularly important in the context of the debt distress that the most vulnerable countries are facing. Advanced economies, and even major emitters, should announce concrete pledges for adaptation action that are commensurate to the needs of developing countries and channeled through funds and related instruments, such as the Adaptation Fund. These pledges should also include a commitment from donors to ensure that their climate finance portfolio achieves parity with their pledges for mitigation action.

## **CONCLUSION**

As COP27 fast approaches and the climate threat escalates, it is critical to ensure that efforts to scale up action on adaptation keep pace with discussions about closing the ambition gap. Progress on the GGA, fast-tracking the preparation of NAPs and ACs, taking care to ensure that the process reflects the diverse and unique needs of vulnerable countries, as well as an increased volume of predictable, grant-based funding to prepare and implement adaptation plans are among the top priority steps urgently required for millions of climate vulnerable communities around the world.















For more information, visit wri.org/ACT2025.



<sup>16</sup> UNFCCC portal; see https://unfccc.int/topics/adaptation-and-resilience/workstreams/national-adaptation-plans-naps/compilation-of-information-for-the-assessment-of-progress-made-in-the-process-to-formulate-and#submssions-on-naps.