



'CLIMATE ADAPTATION AND THE REFORM OF THE INTERNATIONAL FINANCIAL ARCHITECTURE: STRATEGIC PILLARS OF THE AFRICA-EUROPE PARTNERSHIP'

FIRST POLICY BRIEF – BRIDGING THE AFRICAN AND EUROPEAN ADAPTATION AGENDAS

This is the first in a series of five briefs to inform the Africa–Europe Foundation's engagement with European and African policymakers and stimulate thinking and practice on enhancing cross-continental cooperation on adaptation. This brief reviews the setting today, covers good practice in adaptation and makes suggestions for the Foundation's work over the period to COP28. The four subsequent briefs will cover climate funding and access, funding reform, steps Africa and Europe can take to accelerate adaptation action, and finally some recommendations to the EU and AU, Member States and adaptation practitioners as they gear-up towards a new EU policy cycle starting in 2024 and enter the second decade of the African Union's Agenda 2063.

These five policy briefs seek to position the AEF relative to the sequence of forthcoming international milestones, starting with the Africa Climate Summit, followed by the G20, UNGA78, WB/IMF Autumn meetings, the Climate and Development Ministerial (C&DM), the Pre-COP ministerial meeting, and COP28. The year 2023 should see major steps made in the global reform of the financial architecture, and in preparation of the first UNFCCC Global Stocktake (GST), to be delivered at COP28. The production of these five briefs is intended to inform the AEF as well as to frame options for decision-makers to work with African and European actors in the field of adaptation, building trust and consensus on difficult topics, and mainstreaming the theme of adaptation within the cross-continental Partnership.

The first policy brief outlines good practice in adaptation – key principles, what works well and lessons to date. The two continents' multiple regions face a growing common challenge to which they need to find solutions both in the immediate and in the longer-term. The two continents would benefit from strengthening a shared vision on adaptation, on which to build a solid partnership, through the reinforcement of a joint learning platform, from which experts can share know-how

and best practices, and develop cross-continental solutions. After a period of heightened concern across all the world's continents at major damaging climate disasters, and with the Global Stocktake due at COP28, the next 2-3 months should provide a clear focus on accelerating ambition with cuts to greenhouse gases, and making effective provision for adaptation action and finance, and building greater resilience for communities most at risk.

Progress on adaptation is urgent. At COP 27 the progress on loss and damage was felt by some to eclipse the need to also emphasise the need for adaptation. It is paramount to understand that lack of progress on adaptation is a big loss for Africa. One can hope that the Global Stocktake political phase, together with the Glasgow-Sharm el Sheikh work programme's contribution to decisions on the Global Goal on Adaptation are going to provide an opportunity to set out the ambition required.

STATE-OF-PLAY FOLLOWING 6TH AU-EU SUMMIT, COP27 AND RECENT INTERNATIONAL CLIMATE-RELATED MILESTONES

The 6th AU-EU Leaders' Summit in February 2022 noted "Aware of unprecedented and mounting common challenges and opportunities, the leaders of the EU and AU commit to a Joint Vision for a renewed Partnership to build a common future, as closest partners and neighbours." Giving strong support for multilateralism, and the importance of mobilising additional finance, such as through re-allocation of SDRs, the Summit recognised the need to mobilise funds for implementation of NDCs and NAPs in Africa. The Team EU Initiative for Climate Change Adaptation and Resilience in Africa worth more than €1bn was launched at COP27 by the European Commission together with Germany, France the Netherlands and Sweden. Additional EU member states are joining forces. This supports collection and analysis of climate risk data, reinforces early warning systems, and increases public sector readiness to mobilise international climate finance. The initiative also has a focus on developing and implementing climate and disaster risk finance and insurance, such as the Global Shield.

Since 2013 the EU has more than doubled its climate finance, committing €23.04 bn in 2021, of which 55% (€12.62 bn) was for adaptation or cross cutting actions. Pure adaptation commitment stood at 22% (5.18bn)¹. The EU provided 66% of the global funds for adaptation and cross cutting finance in 2021. Both EU (Germany, Sweden) and African countries (Rwanda, Senegal, Malawi) are part of the task force on access to climate finance². EU members are also prominent in the champions group on adaptation finance³. At COP 27 they reiterated their call for improved quantity and quality of adaptation finance⁴.

The World Bank / IMF 2023 spring meetings took place against a groundswell of calls for major reforms to the global financial architecture, spearheaded by developing countries who make clear that financial provisions to tackle

the climate crisis are inadequate in scale and speed. The Bridgetown Agenda illustrates clearly the priority reforms to be made⁵, and points out that repeated climate shocks risk pushing developing countries into a downward spiral of debt and poverty. On average, low-income countries are using more than 10% of their national budget to service debt, with some – Senegal (35%) and Angola (46%) – using much more⁶. The rise in interest rates from Central Banks to address inflationary pressures in both US and Europe have worsened further the burden of debt service. Bridgetown calls for expanded development lending and emergency liquidity in the face of climate disasters. Yet, despite many practical ideas for reforms to the global financial architecture gaining traction, observers at the WB/IMF meetings⁷ noted only incremental progress at best. The arrival of a new WB President creates the space to make faster progress at the Marrakesh Autumn meetings in October 2023. And the G20 meeting in Mid-September endorsed the findings of the sustainable finance working group⁸ that called for the finance system to put in place improved risk management and to enable greater inclusion of private and philanthropic finance flows.

Subsidiary Bodies (SB) of the UNFCCC meetings – Bonn, June 2023. The results from the Subsidiary Bodies meeting were disappointing. There was a failure to agree on the host for the Santiago Network that will facilitate and fund technical assistance to respond to claims of loss and damage. Disagreement hinges on where it will be based - with Africa raising concerns about gaining sufficient representation if the platform were to be hosted by the Caribbean Development Bank, arguing instead for it to be based in Africa. The alternative proposal for hosting the platform was from a UN consortium composed of the UN Office for Disaster Risk Reduction and UN Office for Project Services, which poses familiar concerns around country ownership and high transaction costs.

¹ chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://climate.ec.europa.eu/system/files/2022-11/climate_finance_factsheet_en.pdf

² Steering committee consists of UK (Co-Chair), Fiji (Co-Chair), Belize, Bhutan, Germany, Green Climate Fund, Malawi, Rwanda, Senegal, Sweden, United States, World Bank

³ Founded in 2021 the group comprises Australia, Belgium, Canada, Denmark, Finland, Germany, Ireland, Italy, the Netherlands, New Zealand, Sweden and the United Kingdom as well as the African Development Bank

⁴ <https://www.government.nl/latest/news/2022/11/11/cop27-ministers-on-adaptation-finance#:~:text=Since%20the%20Champions%20Group%20on,been%20championing%20increases%20in%20the>

⁵ <https://www.foreign.gov.bb/the-2022-barbados-agenda/>

⁶ <https://www.iied.org/third-woman-getting-trade-back-track>

⁷ <https://www.cgdev.org/blog/what-we-saw-2023-spring-meetings>

⁸ <https://g20sfwg.org/wp-content/uploads/2023/07/G20-Sustainable-Finance-Working-Group-Deliverables-2023.pdf>

The SB discussions explored the Glasgow/Sharm el Sheikh work programme on the Global Goal on Adaptation (GGA), which will conclude at COP28 this year. However, only slow progress was made on deciding possible headings for the decision which will define the Global Goal, generating mounting frustration from developing countries. African negotiators noted the urgency of a decision that will bolster the resilience of developing countries and put National Adaptation Plans (NAPs) as a standing item on the climate negotiations agenda. The Least Developed Countries (LDCs) expressed dissatisfaction with levels of funding delivered, and lack of progress with arrangements to address loss and

damage. Work on the Global Goal on Adaptation is a critical part of the overall Global Stocktake, also due this year at COP28. The EU saw progress on adaptation less in terms of absolute targets and more in terms of tracking the process of adaptation both locally and the international support systems for it, given the difference of contexts around the world.

The Paris Summit for a New Global Financial Pact in June 2023 provided additional momentum to discussions of the reforms needed to unlock trillions of dollars, but there was no break-through on transformational changes to global finance, to address issues of debt relief and climate action.

CLIMATE ADAPTATION: CONCEPTS AND GUIDANCE FOR GREATER COLLECTIVE ACTION

The IPCC defines adaptation as “the process of adjustment to actual or expected climate and its effects. In human systems, adaptation seeks to moderate or avoid harm or exploit beneficial opportunities”⁹.

Adaptation spans a wide array of actions, from delivery of ‘hard’ investment, such as sea defences, to a wide array of ‘soft’ adaptations that acknowledge the importance of social, financial, organisational, political and cultural aspects for ensuring that action is effective. This has led to the concept of ‘hard’ limits of adaptation, when there is nothing that can be done to adapt further - for example when an island is inundated by sea level rise, and ‘soft’ limits where a lack of money, organisation or means for people to migrate is blocked. In practice, being clear about where the limits to adaptation lie is not so simple. About a quarter of studies identify how limits will constrain action, and of those a quarter identify hard limits to adaptation¹⁰.

Adaptation action is subject to layers of complexity. Global trends in climate are clear, with the likelihood of more frequent, extreme events increasing with temperature. However, at the local scale, precise impacts can be much harder to predict, with extreme events size and frequency uncertain. Financial, organisational and social constraints on action come on top of

that. The identification of adaptation goals and limits is therefore difficult, and has given rise to a more dynamic understanding, based on the concept of building the “resilience” of systems. The IPCC¹¹ defines this as “the capacity of social, economic and environmental systems to cope with a hazardous event or trend or disturbance, responding or reorganizing in ways that maintain their essential function, identity and structure, while also maintaining the capacity for adaptation, learning and transformation».

Understanding what “good adaptation” means is therefore tied up with the dynamic assessment of people and systems’ ability not only to get ready for and counter the effects of climate change, but also to absorb and react to shocks.

The LDC Group undertook an evidence review in 2019 to document a wide range of interventions being undertaken across the developing world and to identify which ones show evidence pointing to positive outcomes in supporting effective adaptation and resilient development. In doing this assessment, the LDC Group set out 9 criteria¹², as shown in Box 1 below.

⁹ IPCC https://www.ipcc.ch/site/assets/uploads/2019/01/SYRAR5-Glossary_en.pdf

¹⁰ Thomas, A., Theokritoff, E., Leshnikowski, A. et al. Global evidence of constraints and limits to human adaptation. Reg Environ Change 21, 85 (2021). <https://doi.org/10.1007/s10113-021-01808-9>

¹¹ IPCC https://www.ipcc.ch/site/assets/uploads/2019/01/SYRAR5-Glossary_en.pdf

¹² LDC Group. Delivering our climate-resilient future: lessons from a global evidence review (2019) <https://www ldc-climate.org/wp-content/uploads/2017/12/LIFE-AR-Evidence-Review-English.pdf>

Box 1. Nine criteria for long-term adaptation and resilience

Outcome-based criteria

1. Target the drivers of climate vulnerability
2. Promotes far-sighted action for the long term
3. Promotes far-reaching action at scale
4. Promotes social justice with gender equality and social inclusion

Process based criteria

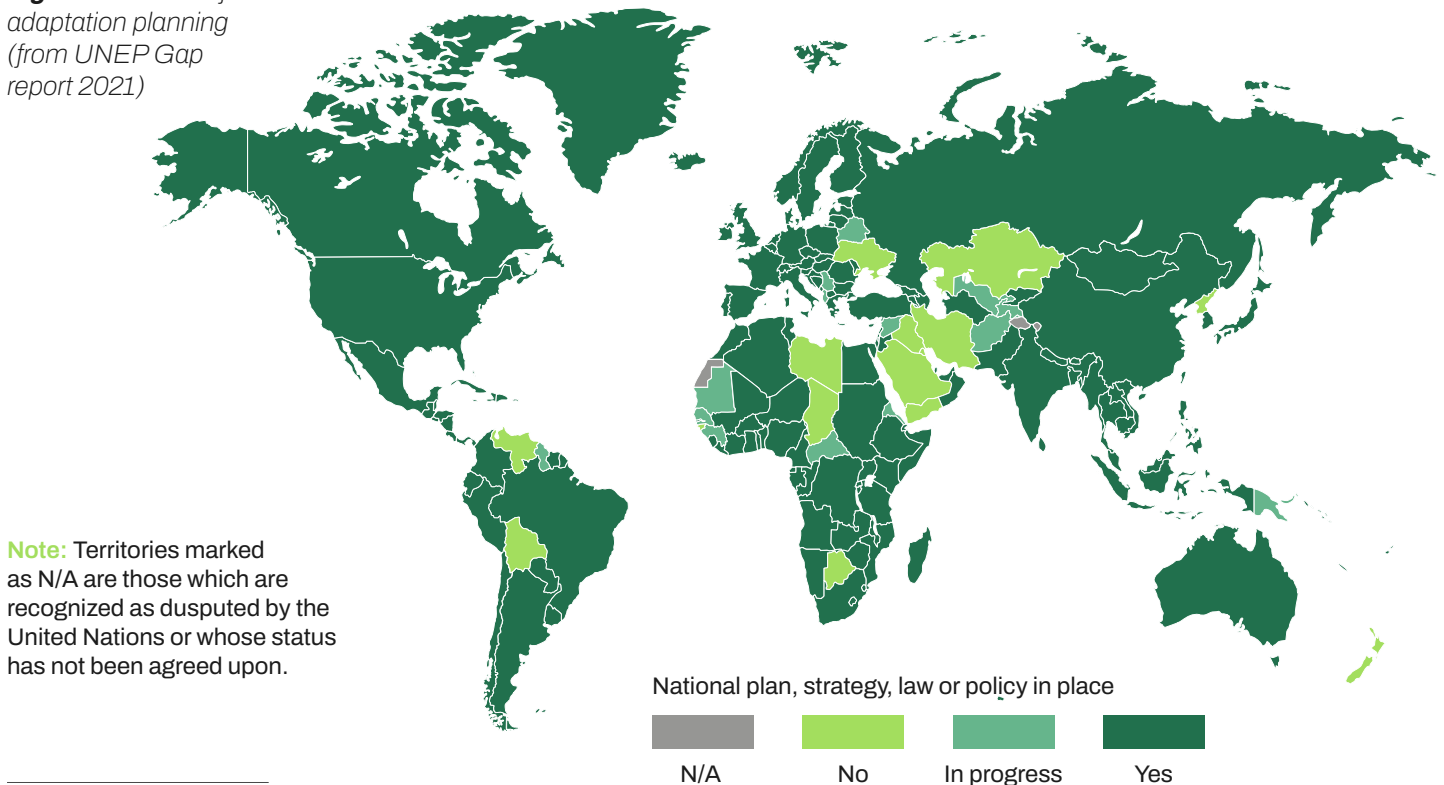
5. Integrates scientific and technical knowledge within local knowledge systems
6. Supports vertical integrations between layers and horizontal integration between sectors
7. Supports the coherent delivery of global commitments including those in SDGs, the Paris Agreement, the Sendai Framework for Disaster Risk Reduction and the Aichi Biodiversity Targets
8. Uses participatory design and transparent processes
9. Is domestically driven and owned, and strengthens national institutions

ADAPTATION PLANNING

The Paris Agreement places an obligation on parties to undertake appropriate planning for adaptation and to report on progress. At present 18 African countries have completed a National Adaptation Plan. Detailed progress of countries in the adaptation planning process is available on the UNFCCC website¹³. All EU countries have either a National Adaptation plan or strategy¹⁴ and the EU commission adopted its

adaptation strategy in February 2021¹⁵. All countries are required to produce Nationally Determined Contributions (NDC) that put forward proposals for greenhouse gas reductions. Some developing countries have included adaptation planning in their NDCs, meaning that 76% of all countries have at least one national level planning instrument¹⁶.

Figure 1 Status of adaptation planning (from UNEP Gap report 2021)



¹³ <https://napdown.github.io/NAP-Global-Progress/>

¹⁴ <https://www.eea.europa.eu/data-and-maps/figures/status-of-national-adaptation-policy-1>

¹⁵ https://climate.ec.europa.eu/eu-action/adaptation-climate-change/eu-adaptation-strategy_en

¹⁶ <https://www.unep.org/ndc/resources/report/adaptation-gap-report-2021>

Guidance on adaptation planning has been produced to guide both macro-level actions by governments down to lessons learnt from community-based activities. There is a growing literature on methods and metrics for adaptation. Countries are increasingly drawing on accumulated guidance and their own experience, from which to articulate improvements to adaptation actions, the progress to be made, and the types of financial and organisational partnerships needed to deliver this.

A review of 39 examples of adaptation planning processes¹⁷ noted that they had many elements in common, though often presented them differently. The review identified six core steps:

- Specify why action is needed and outcomes required (Scope)
- Create plausible scenarios for action (Envision)
- Identify risks and opportunities (Identify)
- Prioritise options to address risks and capture opportunities (Prioritise)
- Take action to adapt as well as monitor (Implement), and
- Share, learn and adjust course as needed (Evaluate).

While the above six points are useful as a basic framework, they are silent on some of the critical capacity and organisational aspects of delivering adaptation.

The main documents reviewed are those published by the UNFCCC, World Bank, IMF, the LDC group and the review of adaptation by the Global Center for Adaptation^{18 19 20 21 22 23 24}. These documents draw on wide experience and, while they may differ on matters of emphasis and order, they do not differ on the fundamental substance of their advice on how to plan for and deliver adaptation.

A common starting point is the need for a **climate risk assessment and to establish a baseline of the current situation to guide and understand the efficacy of future action**. In this scoping phase, the IMF looks at prevention of harm, the alleviation of risk and a focus on the macro financial risks. The World Bank stresses at the outset that rapid, robust economic development underpins adaptation, with climate

challenges necessarily factored into actions to reduce risk, and protect assets, while recognising that some residual risk will remain. Any actions will need to respond to extreme events. An important consideration is the interconnectedness of risk, as when public assets (e.g. roads) are critical to economic activity; putting the right macro policies in place to maintain and repair infrastructure will be an important part of adaptation considerations.

As part of this assessment phase, the UNFCCC guidelines emphasise the need to assess the gaps in knowledge and information associated with climate risks, but there is generally less treatment of the outcomes envisioned. In part this is due to the fact that envisioning the future is difficult, given the complexity of action, and the threat of further disasters pushing plans off course.

Assuring **capacity to carry out assessments** is central to making progress. While this may well involve outside experts, it is critical to **ensure the involvement of all stakeholders** to build an understanding of how macro-level action can enable and complement local interventions, in ways which support the most vulnerable. It is also essential to recognise the differing ways that vulnerability is experienced, due to gender, ethnicity, income level and other intersectional aspects.

The management of adaptation planning and implementation requires integration across sectors and scales. **Clear coordination and leadership** are key here. There is no single recommended way to achieve this, as countries must choose what is right for them, but any mechanism will need to have effective access to decision makers, be empowered to lead, and be well-integrated into existing development planning processes. Given the long term financial implications of climate risk, ministries of finance are central to the process²⁵.

The UNFCCC and GIZ guidance emphasise the need to get started and **learn by doing**. Waiting to try and assess all capacity and organisational needs before taking action is not a feasible path. Rather, sufficient data and measures which are right for a given country and local context can be discovered through "a thoughtful assessment and robust stakeholder process"²⁶, bearing in mind the need to integrate both large

¹⁷ Climate change adaptation guidance: Clarifying three modes of planning and implementation Mark Stafford-Smith*, David Rissik, Roger Street, Brenda Lind, Veronica Doerra, Robert Webbe, Lesley Andrew, Russell M. Wise Climate risk management 35 2022

¹⁸ Developing national adaptation monitoring and evaluation systems: A guidebook Hayley Price-Kelly, Anne Hammill, Julie Dekens (IISD) Timo Leiter, Julia Olivier (GIZ) 2015

¹⁹ Bellon, Matthieu, and Emanuele Massetti, 2022. "Economic Principles for Integrating Adaptation to Climate Change into Fiscal Policy." IMF Staff Climate Note 2022/001, International Monetary Fund, Washington, DC.

²⁰ Bellon, Matthieu, and Emanuele Massetti, 2022. "Planning and Mainstreaming Adaptation to Climate Change in Fiscal Policy." IMF Staff Climate Note 2022/003, International Monetary Fund, Washington, DC

²¹ Best Practices and lessons learned in addressing adaptation LDC expert group 2015 <https://www4.unfccc.int/sites/NAPC/News/Pages/Capturinglessonslearned.aspx>

²² Hallegatte Stephane, Jun Rentschler, Julie Rozenberg. 2020. Adaptation Principles—A Guide for Designing Strategies for Climate Change Adaptation and Resilience. Washington, DC: World Bank.

²³ Global Center on Adaptation. 2022. State and Trends in Adaptation Reports 2021 and 2022:

²⁴ Delivering our climate-resilient future: lessons from a global evidence review LDC 2050 Vision 2019, updated 2021

²⁵ See Coalition of Finance Ministers for Climate Action, [Final Summary - Strengthening the role of MoF_0.pdf \(financeministersforclimate.org\)](#)

²⁶ Spanger-Siegfried, E., Dougherty, B., Downing, T., Hellmuth, M., Hoeggel, U., Klaey, A., Lonsdale, K., 2004. User's Guidebook. In: Lim, B., Spanger-Siegfried, E., Burton, I., Malone, E.L., Huq, S. (Eds.), Adaptation Policy Frameworks for Climate Change: Developing Strategies, Policies and Measures. Cambridge University Press/UNDP, Cambridge, UK, pp. 5–28.

and small scales, and make effective use of qualitative data.

Everywhere, the effects of climate change are subject to some uncertainty. This is especially true for Africa, where future rainfall trends, for example, are difficult to predict²⁷. This uncertainty is compounded by the interplay between the impact of climate extremes and political, economic, and social conditions. **Adaptation actions therefore require having to make decisions under considerable uncertainty.** Guidelines advocate techniques such as theories of change, decision trees, and robust decision-making procedures that can compare scenarios of the actions taken with results achieved, in order to enable subsequent adjustments. Mechanisms to **manage residual risk** are needed, alongside shock-responsive social protection and assistance for reconstruction.

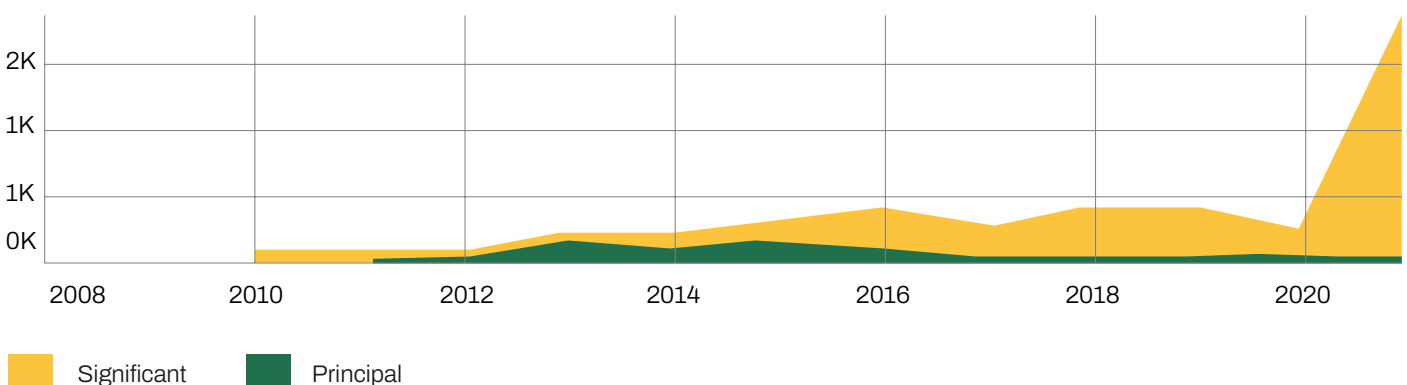
Given the iterative process of adaptation, an **evaluation mechanism** to assess progress and adjust actions in the light of experience needs to be established. Indicators and metrics must be carefully chosen to fit the given situation. There is no shortage of suggestions for the kind of metrics to be used, and countries have shown an appetite for learning

about which indicators might work best. But for indicators to be meaningful, they should guide actions in direction of the changes desired. There are reasons for caution against relying too much on traditional cost benefit analysis of individual actions, as some risks have slow-onset effects over the long-term, or wider economic co-benefits that would justify investment, but which might be hard to pick up in traditional cost benefit exercises. Simple measures based on GDP alone tend to miss out the human cost of climate impacts and their disproportionate impact on the poor. An important part of the evaluation of adaptation is understanding how inputs are having an effect. Tagging climate expenditure is not an exact science. This is not surprising as the best climate adaptation is robust effective development, so incremental expenditure to help adapt to climate can be hard to disentangle from wider spending. But understanding how climate finance is having an effect is still important and guidance on methods to do this, such as using Rio markers²⁸, following MDB reporting²⁹, the World Banks' climate public expenditure and institutional review³⁰ or UNDP guidance³¹ are all available. The critical point though is to make sure that measures make sense to the country concerned.

ADAPTATION DELIVERY AND FINANCE

The consensus is clear that adaptation needs to focus on the vulnerable, and this makes Africa, home to 30 of the 46 least developed countries, a clear focus for funding.

Figure 2 EU and EU member state contributions to adaptation in Africa USD million (source OECD³²)



²⁷ <https://www.ipcc.ch/report/ar6/wg2/chapter/chapter-9/>

²⁸ https://www.oecd.org/dac/environment-development/revised%20climate%20marker%20handbook_FINAL.pdf

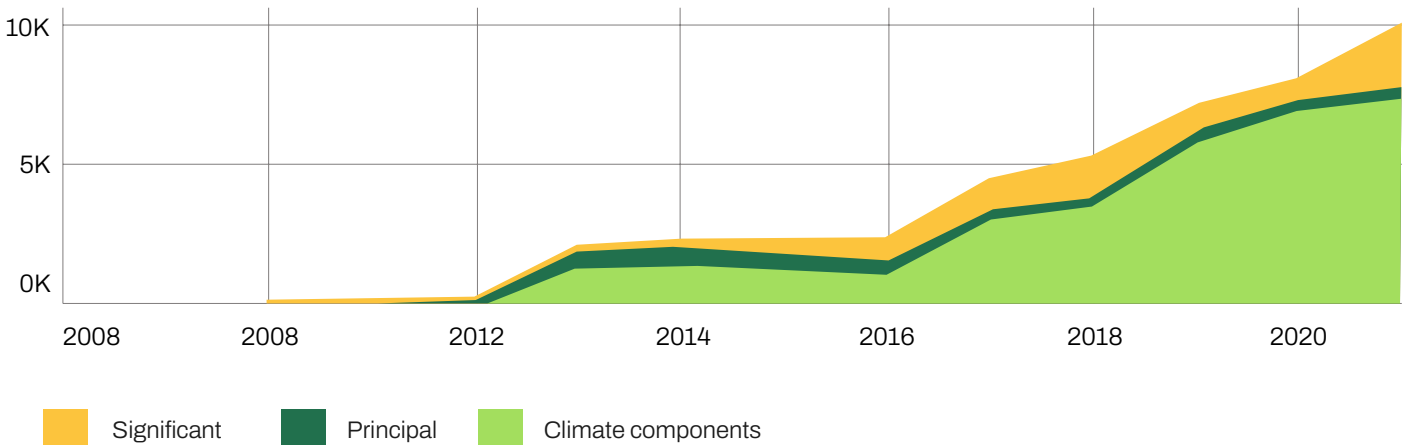
²⁹ https://www.eib.org/attachments/lucalli/mdbs_joint_report_2021_en.pdf

³⁰ <https://www.greengrowthknowledge.org/resource/climate-change-public-expenditure-and-institutional-review-sourcebook>

³¹ <https://www.undp.org/content/undp/en/home/librarypage/climate-and-disaster-resilience/knowning-what-you-spend.html>

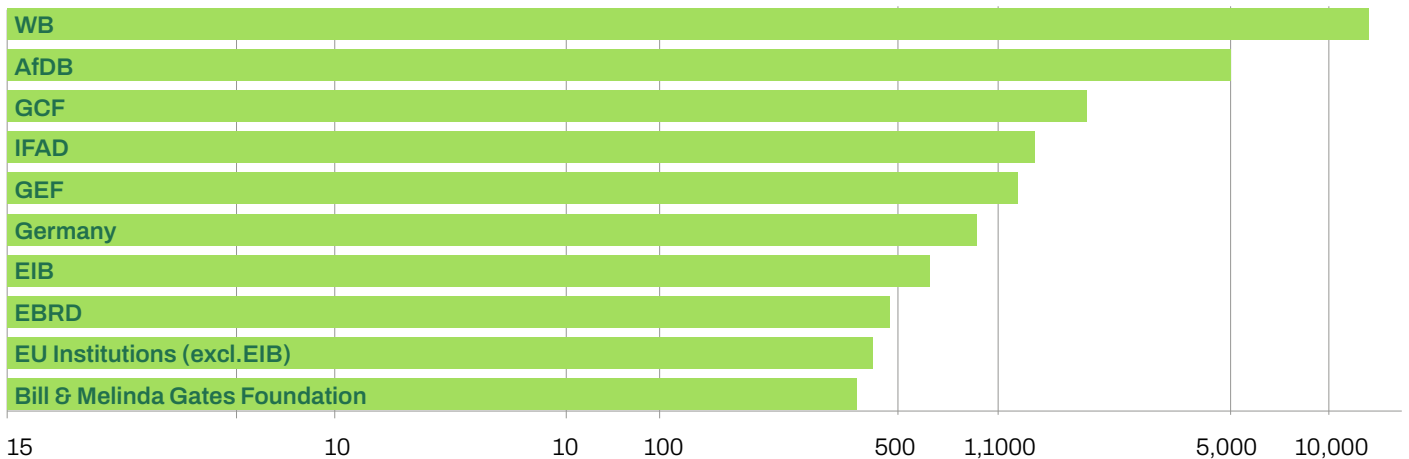
³² https://public.tableau.com/views/Climate-RelatedDevelopmentFinanceRecipient2021/CRDFRP?:language=en-US&publish=yes&display_count=n&origin=viz_share_link&:showVizHome=no#1

Figure 3 Total adaptation finance to Africa USD million (OECD)



The OECD data in Figure 2 above shows the EU contributed over \$2bn to Africa in 2021 in finance where adaptation is a significant factor. Figures 3 and 4 show the importance of this finance, relative to other funders.

Figure 4 The top contributors to Africa of adaptation finance USD million 2016- 2021(OECD)



The EU are clearly among the top contributors to climate adaptation, with the figure above under-representing EU contributions, as they are also major donors to multilateral banks and the GCF.

The LDCs (33 of Africa's 54 countries are LDCS) are particularly vulnerable to climate change and are committed to stepping up action. In 2019 they launched their Vision 2050³³, which recognised the need for strong country-led action to deliver adaptation by putting in place the finance

architecture, inclusive governance that integrates climate action into broader strategies, and capacity building. This commitment to action by LDCs was complemented by an ask to the international community to provide the flexible long-term funds to deliver at least 70% to local level action, reduce transaction costs, and assist in building capabilities.

LDC countries are putting this vision into practice. The LDC Initiative for effective adaptation and resilience (LIFE-AR) aims to put in place the national structures, adapted to local

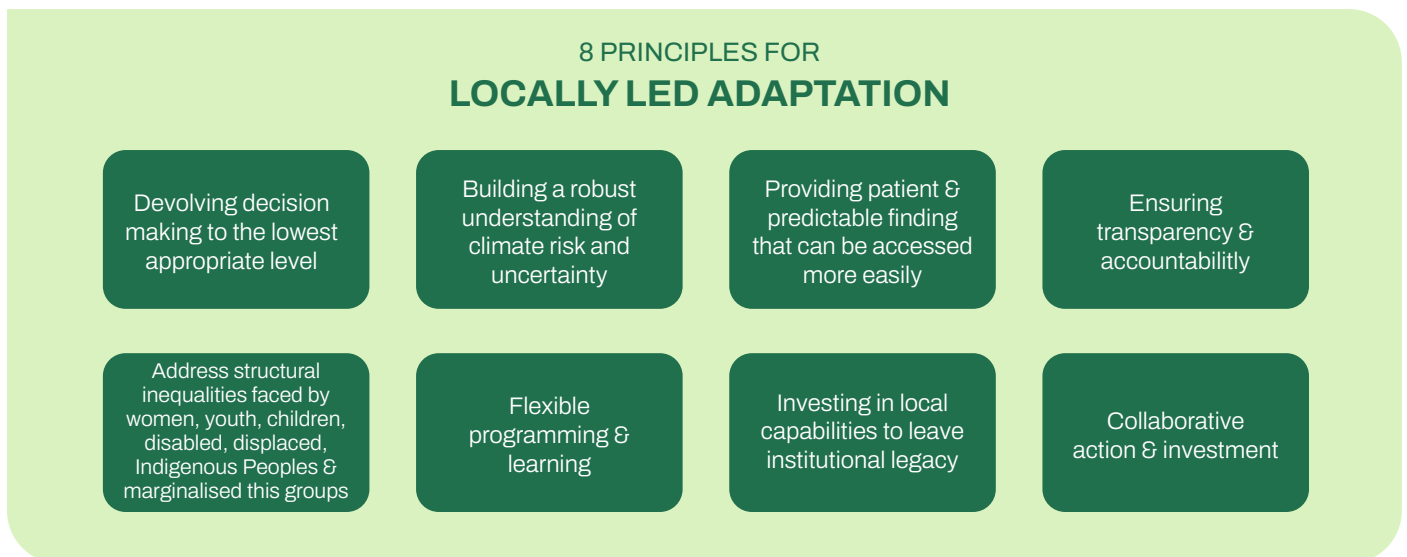
³³ <https://www.iied.org/lcd-2050-vision-for-climate-resilient-future#:~:text=The%20LDC%202050%20Vision%2C%20launched,their%20societies%20and%20ecosystems%20thrive.>

circumstances, that will deliver the LDC vision of finance and action reaching those who need it most. The initiative aims to grow in stages, with the 'frontrunner' African countries being Burkina Faso, Ethiopia, The Gambia, Malawi, and Uganda. The initiative has been endorsed by 10 donor countries³⁴ of which 6 are EU member states (Austria, Denmark, Finland, Germany, Ireland, Italy). The initiative is currently funded by Ireland, the UK and the US.

With a similar idea of seeking to build local capacities, the LoCal³⁵ programme, designed by United Nations Capital Development Fund (UNCDF) in 2011, channels finance to local governments through performance-based grants. It has led to the creation of ISO standard 14093³⁶ related to funding of subnational authorities. LoCal is working with 11 African countries³⁷ and is supported by 7 European donors³⁸.

Building on the various sources of guidance and accumulated learning, and taking note of the LDC vision, the World Resources Institute and the International Institute for Environment and Development facilitated the development of the locally led adaptation principles³⁹. These principles include calls to devolve decision making, build a robust understanding of risk and uncertainty, provide patient, flexible funding, invest in capability and ensure collaboration across sectors (Figure 2). Over 100 organisations have endorsed the principles, including 14 country agencies or ministries⁴⁰ of which 5 are EU member states (Denmark, Finland, Ireland, Netherlands, Sweden). The G7 has welcomed the principles. Endorsement of the principles by African governments has been held back as they have not been produced through an intergovernmental process, but in general they are held to be a useful statement of good practice.

Figure 5: The principles for locally led adaptation⁴¹



The **Team Europe Initiative**⁴² and the **Nairobi declaration** show strong overlap, most notably in the need to integrate climate into whole-of-government plans, strengthen climate information and the urgent need to accelerate enhanced action and deliver finance. This includes the need to strengthen disaster risk assessment and response. While Team Europe focusses on disaster risk finance and insurance, the Nairobi declaration concentrates on getting the financing mechanisms operational for addressing loss and damage. Overall, however, the Africa Climate Summit in Nairobi offered

much greater focus on the African continent being a "solution provider" for building a global green economy. Questions of adaptation and resilience represent just one of six lines of discussion. As a consequence, it would be worth seeing how adaptation dovetails and complements actions in the other fields, such as building more sustainable agri-food systems, investing in nature and carbon sinks, responses to extreme events, and emerging health challenges from disasters, heat and changing disease patterns.

³⁴ Austria, USA, Norway, UK, Italy, Ireland, Germany Finland, Denmark, Canada

³⁵ <https://www.uncdf.org/article/8328/local-report-2019-2022>

³⁶ <https://www.iso.org/standard/68511.html>

³⁷ Benin , Burkina Faso, The Gambia, Ghana, Lesotho, Malawi, Mali, Mozambique, Niger, Tanzania,

³⁸ EU Commission, Sweden, Luxembourg, Belgium, Denmark, Germany, Government of Catalunya,

³⁹ <https://www.wri.org/initiatives/locally-led-adaptation/principles-locally-led-adaptation> and <https://www.iied.org/10211iied>

⁴⁰ Uganda Vanuatu Jamaica Antigua and Barbuda Ireland Denmark Finland Netherlands Nepal Norway, South Africa , Sweden , UK, USA

⁴¹ https://twitter.com/grp_resilience/status/1353988553001168897

⁴² <https://capacity4dev.europa.eu/resources/team-europe-tracker/partner-countries/sub-saharan-africa/climate-change-adaptation-resilience-africa#:~:text=The%20Team%20Europe%20Proposal%2C%20specific,responsive%20and%20inclusive%20development%20pathways.>

IMMEDIATE OPPORTUNITIES TO BRIDGE AFRICA-EUROPE DIFFERENCES AND MAKE PROGRESS ON ADAPTATION.

This paper suggests that there are several opportunities for the AEF to create a space for parties to explore and discuss options in critical, contested areas. While there are numerous think-tanks generating papers and recommendations on different aspects of climate action, what is needed is an honest broker able to help advance the process of discussion and consensus-building, rather than proposing ready-made solutions. The Africa Climate Summit presented a vital arena in which to identify and explore with different actors the areas in which a trust-building and consensus-generating process could work. Such an approach pursued over the next 2-3 months could embed such practices as a legacy of the current EU policy cycle as well as to reinforce AU's aspirations as enshrined in its Agenda 2063 and its Climate Change and Resilient Development Strategy and Action Plan (2022-2032)

Finance

Noting the common desire to get finance flowing to support climate action, what scope is there for joint African and European action to work towards improved financing mechanisms that will get money to where it is needed most? This could include coordinating action to reform access to climate funds, working jointly towards the delivery of the doubling of climate finance by 2025 compared to 2019, and making progress on how adaptation finance will feature in the New Collective Quantified Goal on Climate Finance and on improving the delivery of climate finance to the local level in line with nationally and locally agreed plans, supporting with technical, regulatory, jurisdictional, and financial assistance the strengthening of national and regional bodies in charge of receiving and allocating climate adaptation finance. For example, in relation to the GCF, Europe could use its position of contributing nearly 50% of the close to \$20bn confirmed as pledges to the GCF to try and speed up delivery of climate funding.

Planning

There is growing consensus about the need to build robust national plans, devolve decision making, tailor funding, and support capacity building to strengthen locally led action at both policy and practical levels. This can include supporting African countries with no NAPs to start laying the foundations for these plans to be elaborated further and contribute to pressing needs. How best can Africa and Europe accelerate

this process? The climate and development ministerial on October 29th, as well as the Pre-COP ministerial meeting offer useful opportunities to underline European and African resolve to integrate adaptation across all government and local actions. This can draw from the synthesis report of the UNFCCC on the Global Stocktake to ramp-up adaptation action and finance, as well as to reinforce and reframe the Africa-Europe partnership on adaptation.

Capacity building

What can Europe best do to support African countries in their drive to build capacity for climate action? What opportunities are there for mutual exchange and learning on adaptation planning and action? How can funding seek to build capacities and capabilities, including strengthening African institutions and practitioners? What role for state and non-state actors? What should the Santiago Network deliver and how? Would it be useful if the AEF establish a forum in partnership with front-runners in adaptation action to explore ways forward for good adaptation to become the norm, and advance thinking on loss and damage?

National Adaptation Plans (NAPs)

It is essential to align Africa-Europe perspectives in the light of the Global Stocktake: NAPs have been a great tool to articulate how adaptation can be done and progress observed. Leading up to COP28, there will be more focus on NAPs as a tool for adaptation, but also recognition that they are not the only tool. While the EU feels that NAPs are already well underway, many developing country parties feel more space is needed to discuss National Adaptation Plans, notably with a focus on progress and implementation. Through the work of the NAP Global Network, LDC Expert Group, and others, there seem to be many layers of information around progress with NAPs, including the level of financing. But it would be good to get to the nub of the issue: Are there not sufficient mechanisms for tracking progress? Is there not sufficient funding? The Africa-Europe Foundation through its dialogue platform could get to the nub of these challenges.

Establish targets for adaptation:

The period between now and COP28 is critical in making progress towards drawing lessons learned, and inspiration from existing frameworks. Let's not wait until we get to COP28

to eventually operationalize the Global Goal on Adaptation. There are already some targets, indicators and criteria. It is timely to build on and reinforce these, working with what is already available instead of trying to duplicate and create more top-down structures. As a way forward, it would be good to ask why discussions around targets have been challenging at the last inter-session in Bonn (SB) for the developed world, including the EU. Agreeing on targets is one of the main sticking points on adaptation. As such, it would be good to hear from the EU on what they thought was challenging, and why the discussion couldn't move faster. The intention with this is not to be too prescriptive, in how the global adaptation strategy is applied to vastly different local contexts. This is the challenge with adaptation, since it is both transboundary but also very specific to different regions and contexts.

Loss and damage

Europe's commitment is to enhance Climate and Disaster Risk Finance and Insurance including through the Global Shield⁴³ initiative. How can this initiative best be developed to ensure that it can respond effectively to populations most at risk, in particular amongst the most impoverished, where commercial insurance is unlikely to be viable? Can social protection programmes complement and support climate action to reduce vulnerabilities? How might non-commercial forms of insurance be strengthened, such as through collective action and informal institutions?

Preparing for COP 28

Lack of progress on the Global Goal on Adaptation is a major concern. There is strong consensus between Europe and by the LDCs (a majority of countries in Africa) on best practice in delivering adaptation, as evidenced by support for LIFE-AR and the locally led adaptation principles. What scope is there for further Africa and Europe dialogue in the run up to COP 28 that can help build and disseminate consensus on agreed good practices? Bringing together stakeholders from Africa and Europe to meet, listen and discuss sticking points, and the most contested issues, could be extremely valuable in building consensus or making sure that the two continents can find common ground for agreement and action.

As such, it can be timely to provide a safe space for technical and political negotiators to meet to explore shared ground. There is a need for the EU and the Africa Group to develop a common understanding so the two groups can work towards convergence, as opposed to contestation. At UN discussions, regrettably, the two usually end up focusing on areas of difference rather than where there is convergence of views. Both continents should use the positions of convergence to set higher level political targets, which feed into specifically defined action and targets by countries, regions, provinces. It's vital to understand the dynamics of partnering and cooperating. As such, there should be continuous meetings with lead negotiators outside the usual negotiation process.

Glossary

AEF	Africa-Europe Foundation
AU	African Union
COP	used to refer to the Conference of the parties to the UN Framework convention on Climate Change and Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (properly called CMA)
EU	European Union
GGA	Global Goal on Adaptation
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IMF	International Monetary Fund
IPCC	International Panel on Climate Change
LDC	Least Developed Country
NAP	National Adaptation Plan
NDC	Nationally Determined Contribution
OECD	Organisation for Economic Co-operation and Development
SB	Subsidiary body of the UNFCCC
UNFCCC	UN Framework convention on Climate Change
UNGA	United Nations General Assembly
USD	US Dollar
WB	World Bank

⁴³ <https://www.bmz.de/en/issues/climate-change-and-development/global-shield-against-climate-risks>