# ENHANCING AFRICA-EUROPE COOPERATION ON ADAPTATION AT COP28

This policy brief, the fourth in a series, outlines the critical role to be played by the Africa-Europe partnership in making progress on Adaptation, in advance of COP28 in Dubai, November 30th - December 12th. It is now 18 months since the 6th Summit of African and European Heads of State was held in February 2022, at which both continents pledged to promote effective multilateralism within the rules-based international order, with the UN at its core. Both sides committed to reduce global inequalities, strengthen solidarity, promote international cooperation, fight and mitigate climate change, and improve delivery of 'global public goods'.

Since February 2022, much has happened in terms of geo-political tensions, which inevitably impacts on global agreements and relationships between countries and blocs. Nevertheless, the EU continues to work on implementing its Adaptation Mission and Strategy, while the AU has agreed its own Climate Change and Resilient Development Strategy (2022-2032). Both of these strategies provide a strong foundation for a shared approach to adaptation.

This policy brief recommends three focus areas to be taken forward by Africa and Europe:

- **Europe should work with African countries to enhance funding, capacity and technology transfer for locally based adaptation planning**. Since effective adaptation is based on comprehensive local plans, ensuring these are in place will enable funding to flow and for it to be used effectively.
- **European countries should step up their climate finance, pledging to pay at least their 'fair share' by 2025, as well as to anchor in national plans the doubling of adaptation finance by 2025 compared to 2019**. Based on historic emissions, GDP per capita, and the $100bn target, only four developed countries have made climate finance commitments commensurate with their 'fair share': Sweden, France, Norway, and Japan. At COP26, developed countries were urged to double adaptation finance by 2025 from 2019 levels, yet measures to ensure such delivery are not clearly visible.
- **European and African countries should work together with climate finance providers to increase the direct accreditation of African institutions**. This should be accompanied by a shift away from the current project-based models, and towards long term programmatic funding.

## DOUBLING DOWN ON AFRICA-EUROPE ADAPTATION ACTION IS AN IMPERATIVE:

Current policies around the world are projected to result in 2.7°C warming by 2100[1]. Above 2°C, Africa would suffer a catastrophic loss of biodiversity, and reduction in crop yields and range productivity. Millions more people would be exposed to vector and water-borne disease. Even at current levels of warming, some regions of Africa have experienced a more than 20% fall in per capita income[2].

In Europe, agricultural losses in the south would not be offset by any gains in the north, and the risks of heat, drought and floods would have significant impacts on health, infrastructure and economies[3]. Sea levels will keep on rising for centuries due to warming that has already taken place[4].

The amount of sea-level rise is uncertain but could be 1.3-1.6 m by 2100, and if ice sheets collapse the rise could be a catastrophic 9-10m by 2300[5]. The situation clearly demands significant effort in protecting coastal infrastructure where possible and plans to move people and urban centres away from the coast.

Redoubling efforts to curb greenhouse gas emissions are more urgent than ever, but so are efforts to deal with the increasingly bleak prospect of having to adapt to ever more challenging levels of climate change impact.

[1] https://climateactiontracker.org/global/temperatures/#:~:text=Current%20policies%20presently%20in%20place,C%20above%20pre%2Dindustrial%20levels.
[2] IPCC 6AR, WGII, Africa chapter, page 1386.
[3] IPCC AR6 report
[4] https://www.ipcc.ch/srocc/chapter/chapter-4-sea-level-rise-and-implications-for-low-lying-islands-coasts-and-communities/
[5] https://www.wcrp-climate.org/news/science-highlights/1955-new-sea-level-projections-2022

# FAST-TRACK PLANNING AND SEEKING ALIGNMENT FOR GREATER AFRICA-EUROPE ADAPTATION ACTION:

While the IPCC has shown that increasing impacts are now inevitable, there is considerable uncertainty over the timing and magnitude of such effects, especially for Africa, where data is much more limited, and the models do not all agree[6]. This uncertainty places special emphasis on the need for effective adaptation and planning in Africa. 'Hard' changes, such as increasing sea defences to cope with a clear threat, will be needed alongside an array of 'soft' adaptations, such as organisational changes that acknowledge the importance of social, financial, organisational, political and cultural aspects which hinder action, and which have the flexibility to cope with high levels of uncertainty about the precise impacts of climate change.

The process of adaptation planning should follow six core steps[7]:

- Specify why action is needed and the outcomes sought (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).

These steps need to be accompanied by the organisational machinery and capacity to carry them out and put a plan in place. Given the variety of contexts and needs, the involvement of stakeholders is essential, to ensure plans are fit for the local context and can adjust to circumstance[8]. This implies a commitment to long term programmes, with finance being flexible in response to changing circumstances.

All countries in Europe have an adaptation plan or strategy[9]. The EU-wide adaptation strategy[10] makes clear that a sound understanding of the risks faced must provide the basis for action. Macro-economic policies can then be put in place, to ensure that climate adaptation is mainstreamed at all levels to strengthen resilience from local to macro-scales. The EU Adaptation Strategy also explicitly undertakes to support African initiatives and institutions which address local, national and regional adaptation.

In Africa, 18 countries have completed a National Adaptation Plan (NAP) while others have included adaptation elements in their Nationally Determined Contribution (NDC) documents. African countries are ready for climate investment with 32 countries having assigned some specialised institutions to process climate investment, identified priority sectors and set out connections to disaster risk reduction. Among these, 7 countries stand out as having more detailed plans with clear institutional frameworks to coordinate climate work and with ideas in place for a monitoring and evaluation system[11]. Europe has pledged to assist the implementation of Africa's adaptation and disaster risk reduction efforts.

The positions of Africa and Europe are closely aligned on climate adaptation. They are both clear that action needs to be rooted in the management of risks at the local level, backed up by national, regional and international actions. The 2022–2032 AU strategy[12] states that climate action needs to be people-centred, African-owned and African-led. The Nairobi Declaration[13] calls for 'climate positive growth', emphasising the need to support smallholder communities and the centrality of indigenous knowledge and citizen science in design of adaptation and early warning mechanisms. The European strategy on adaptation to climate change published in 2021 speaks of the local level as the 'bedrock of adaptation' and the importance of building local resilience[14]. One of the pledges made by the Team Europe Initiative on Climate Change Adaptation and Resilience in Africa[15] is to enhance the mainstreaming of adaptation and disaster risk reduction into all plans and programmes.

6 https://interactive-atlas.ipcc.ch/
7 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
8 See for example Best Practices and lessons learned in addressing adaptation LDC expert group 2015 https://www4.unfccc.int/sites/NAPC/News/Pages/Capturinglessonslearned.aspx
9 https://www.eea.europa.eu/data-and-maps/figures/status-of-national-adaptation-policy-1
10 https://climate.ec.europa.eu/eu-action/adaptation-climate-change/eu-adaptation-strategy_en#:~:text=The%20new%20strategy%20sets%20out,on%20adaptation%20to%20climate%20change.
11 https://gca.org/reports/strategy-and-planning-to-redouble-adaptation-in-africa-a-review/
12 African Union climate change and resilient development strategy and action plan (2022-2032)
13 https://africaclimatesummit.org/resources
14 https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2021:82:FIN
15 https://international-partnerships.ec.europa.eu/document/ab1ee050-8b9f-4b96-9f33-fc063ad276a5_en

# ADAPTATION THE FOCUS OF THE CLIMATE AND DEVELOPMENT MINISTERIAL MEETING:

In 2021, as COP26 host government, the UK held a climate and development ministerial process with the objective of inserting vulnerable country priorities into political level conversations ahead of COP26. The second ministerial was co-hosted by the UK and Rwanda in 2022, ahead of COP27. Each process was developed to facilitate more genuine, in-depth conversations, with the priority given to call and response discussions, instead of pre-prepared statements. The first two ministerial meetings led to the establishment of the taskforce on access to finance, building the appetite and consensus for doubling adaptation finance at COP26 and for reporting against it at COP27, generating political attention to fiscal space challenges that then seeded COP26 decisions calling for greater use of SDRs, and growing the support for climate resilient debt suspension clauses. It also strengthened solidarity and common ground between countries.

The third climate and development ministerial was co-hosted by Malawi, UAE, UK and Vanuatu on October 29th, 2023. Attended by ministers from across provider and recipient countries and institutions[16], including from Africa and Europe, the meeting discussed how to amplify and work together on improving access to finance and good practice in adaptation finance delivery.

In the lead up to the ministerial, discussions focused on building a shared vision for adaptation finance and for translating the vision into tangible goals and actions. These discussions progressed through a series of technical workshops, including those held at the Africa Climate Summit in Nairobi and the Climate Ambition Summit during the 78th United Nations General Assembly.

Three goals were identified through the process, and then discussed at the ministerial:

1. **Enhancing country-owned programmatic financing:** Increase programmatic financing and capabilities for delivery of transformative adaptation action, so that climate vulnerable countries have the resources to deliver their adaptation priorities, as set out in their adaptation plans through national platforms, with finance based on policy and delivery milestones.

2. **Easing access:** Significantly reduce the time it takes to access finance, cut transaction costs, simplify compliance and reporting requirements, and enable substantial flows to reach countries and communities through direct access.

3. **Scaling all sources of adaptation financing:** Tackle the barriers to scaling accessible and delivery-focused adaptation financing from all sources, including mobilising innovative finance, attracting private sector finance to stimulate domestic enterprise and exploring debt considerations.

All participants shared support for setting a common political direction on adaptation finance. Several countries raised their interest to co-champion one or more of the goals, to encompass marshalling and tracking action over 2024 and reporting back at the next Climate and Development Ministerial in late 2024. These co-champions, who will be driving action across the goals, will be announced at COP28. In their role in marshalling action, the co-champions will require bilateral and multilateral cooperation from a range of actors well-placed to achieve the goals. Given the relevance of the agenda for AU-EU cooperation, engaging with these goals and co-champions presents a key opportunity for progress.

[16] Representatives included 14 ministers (COP28 President-Designate, Vanuatu, Malawi, UK, Australia, Bangladesh, Barbados, Denmark, Ethiopia, Maldives, Samoa, Somalia, Tuvalu), 8 climate envoys (France, Germany, Ireland, Italy, LDC Group Chair, New Zealand, Republic of the Marshall Islands, The Netherlands, USA), 3 MDBs (World Bank Group, African Development Bank, Asian Development Bank), the Adaptation Fund, and the UNFCCC. UNFCCC constituency focal points were invited to observe.

# ADAPTATION IN THE NEGOTIATIONS

While Europe and Africa agree on the need for action on adaptation, there is less agreement on the details for how this should happen, as evidenced by preparations for COP 28.

## **BOX 1** ADAPTATION AND LOSS AND DAMAGE IN THE COP28 CLIMATE NEGOTIATIONS

COP 28 will be a busy time for negotiations on adaptation, and loss and damage. The talks will take place against a backdrop of emission reduction pledges that imply a dangerous level of warming, well over 1.5°C.

The concern of developing countries is to ensure sufficient attention is paid to adaptation - something they feel has been lacking and thus needing an agenda item of its own.

Specifically, there will be further discussion on goals for adaptation in the Global Stocktake on climate action, a process that will take place for the first time at COP28. The stocktake has been called a "moment for course correction" to ensure the world can rise to the challenge of addressing climate change. There is an expectation that the stocktake should be balanced between mitigation, adaptation, and loss and damage.

Main topics for negotiation on adaptation, and loss and damage are:

***Global Goal on Adaptation:*** (https://unfccc.int/documents/632815) A framework for the global goal on adaptation, which was established but not defined in the Paris Agreement has been being discussed since COP 26 in eight workshops under the Glasgow Sharm el Sheikh work programme on the global goal on adaptation. While countries agree that targets on adaptation should cover risk assessment, planning, implementation, and monitoring and evaluation, disagreement continues over the precise nature of what will be measured. There is also lack of consensus on whether there should be a set of common global metrics or whether detailed measurement of adaptation is better left to locally determined indicators. A particular bone of contention is whether means of implementation should have their own measures, with concern from some that this would then effectively become a monetary target. Definition of the Global Goal on Adaptation will form part of the global stocktake, but the details are unlikely to be resolved at COP28.

***Loss and Damage:*** COP 27 made the historic decision to set up a loss and damage fund. The details of its establishment have been discussed over 5 workshops by a transitional committee (https://unfccc.int/process-and-meetings/bodies/constituted-bodies/transitional-committee). A text has been forwarded to COP 28/CMA5 that has the fund being hosted by the World Bank on an interim basis, subject to conditions. Financial contributions to the fund are encouraged from a wide set of sources, with developed countries taking the lead. The text forwarded to the COP/CMA does not enjoy the full consensus of the committee however, and so may be subject to further negotiation. There is also unfinished business from June 2023, when the parties failed to agree on the hosting of the Santiago Network – an initiative to provide technical help to countries to make plans to counter and respond to loss and damage that has already received significant pledges of money from donors.

# FINANCE, AND ACCESS TO IT, CONTINUES TO BE A PROBLEM OF UTMOST RELEVANCE:

The UN's 2023 Adaptation Gap report[17] shows yet again how far adrift we are from meeting the finance needs of the most vulnerable parts of the world. The gap is growing and is currently estimated globally at US$387 billion per year. Over the last twelve months, everyone has seen the apocalyptic visions from forest fires, devastating floods, and storms, such as the catastrophic deaths and damage in Libya's city of Derna. There is only so much "resilience building" which can be done to cope with such powerful forces.

COP28 needs to see Africa and Europe working together to enhance funding, capacity and technology transfer for adaptation planning. We need programmatic approaches to support ambitious national adaptation plans, based on locally led climate action, and following the principles of Locally Led Adaptation. Ensuring these local plans are in place will enable funding to flow and for it to be used effectively.

Estimating adaptation costs is notoriously difficult. For Europe, costs are expected to be around US$40 billion a year at 1.5°C warming, rising to US$180 – 210 billion a year at 3-4°C warming.

Adaptation costs in Africa are arguably harder to estimate, given the relative lack of climate data and lower level of costed adaptation needs. Based on submitted NDCs, the cumulative adaptation costs for Africa have been estimated at US$60 billion a year for the next 10 years[18]. However, this is likely to be a dramatic underestimate, given the lack of detailed adaptation plans for many countries.

Current annual spending on adaptation across all of Africa is US$11.4 billion, which represents 39 percent of total climate finance committed to Africa annually. And about half of this finance was in the form of loans, which raises multiple concerns[19].

Access to all climate funds continues to be difficult. For example, the largest climate fund, the Green Climate Fund (GCF) makes its funds available only through accredited entities. Of a total of 78 accredited entities, there are only 4 African governments[20] out of a total of 17 accredited African institutions (mainly banks and government institutions).

Most money (76%) goes through international agencies and banks, while direct national funding only accounts for 11-13% of funds[21]. Recipients of finance from the GCF complain at the level of overheads charged by international agencies (typically 7%), which are levied on top of staff costs to administer and run the project at international salaries.

The average time taken from review of funding proposals to first disbursement of funds has fallen from 26-28 months in 2018 to an average of 12-17 months for projects approved in 2021[22]. But it is important to note this is an average. Anecdotally, countries complain of some funding taking 5 years to arrive.

The funds are overwhelmingly project-based, meaning that activities need to be mapped out in advance and applied to parts of a wider adaptation strategy. This runs counter to the good practice emerging in adaptation that places emphasis on the ability to put in place flexible strategies to ensure that adaptation action can deal with the inherent uncertainties in climate impacts and associated measures[23].

African countries are already financing climate action and responding to climate impacts with their own resources, which is driving further indebtedness. The Nairobi Declaration[24] called for action to tackle this indebtedness and restructure the global finance architecture in ways which would guarantee access to the scale and cost of funds needed to address climate action. This was echoed at the summit called by the president of France in June 2023[25]. This restructuring will require leveraging the capital balances of Multilateral Development Banks, bringing in new forms of finance from the private sector, and ensuring the availability of finance to cover disaster risks, which is pillar 4 of the Team Europe initiative on Climate Change Adaptation and Resilience in Africa[26].

[17] https://www.unep.org/resources/adaptation-gap-report-2023
[18] https://www.climatepolicyinitiative.org/publication/climate-finance-needs-of-african-countries/
[19] Global Center on Adaptation. 2022. State and Trends in Adaptation Reports 2021 and 2022
[20] Ministry of Environment Rwanda, Ministry of Water and Environment Uganda, Ministry and finance and economic cooperation Ethiopia, National environment management authority Kenya. GCF website
[21] https://www.greenclimate.fund/projects/dashboard
[22] GCF website www.greenclimate.fund
[23] See for example https://www4.unfccc.int/sites/NAPC/News/Pages/Capturinglessonslearned.aspx
[24] See footnote 9
[25] https://nouveaupactefinancier.org/pdf/chairs-summary-of-discussions.pdf
[26] See footnote 11

## WAYS FORWARD: CONCLUSIONS AND RECOMMENDATIONS

Action to reduce greenhouse gas emissions must be stepped up to avoid increasingly catastrophic impacts that it will be difficult or impossible to adapt to. Present policies put the world on a path that threatens to make adaptation impossible for many. Countries must cut emissions now.

However, even if emissions are cut further, adaptation is more needed than ever, and both Africa and Europe will need to face the reality that action so far has been grossly inadequate. Many millions of people are exposed to ever greater risks from more extreme weather and face their livelihood options being eroded.

Adaptation action is being held back by a lack of finance, insufficient focus on adaptation, and its poor integration into policy, combined with a global funding system that does not enable the long-term action that is needed.

## BETTER PLANNING MEANS GREATER ACTION:

Adaptation must be embedded across all activities of government and the private sector. This is facilitated by having an adaptation planning process that is sufficiently detailed to guide action at the local level.

**African countries should increase efforts to gain a more complete picture of their adaptation needs and means of delivering the action needed. Europe should work with African countries to enhance funding, capacity and technology transfer for adaptation planning in Africa, where required.**

In addressing climate change, it is clear that no one nation has a monopoly of knowledge. Exchanges on how best to enable early warning, cope with floods, droughts, and heatwaves, and limit the risks from the spread of disease could be of mutual benefit, especially at the local level. **Africa and Europe should work together to put in place peer-to-peer knowledge exchanges to learn from each other about good adaptation practice.**

Africa and Europe agree that effective adaptation needs to be tailored to specific situations and draw on local knowledge. **The discussion at COP28 on the global goal on adaptation is an opportunity for Europe and Africa to work together to ensure that decisions endorse locally led adaptation, as the best means of meeting local people's priorities**

# FINANCE MOBILISATION AND ACCESS FOR GREATER ACTION:

The funds devoted to adaptation are a fraction of what is needed. The COP21 pledge in 2015 to mobilise $100 bn a year from developed countries by 2020 may finally be met in 2023, just before a new and more ambitious goal is due to be debated in 2024, namely the New Collective Quantified Goal on Climate Finance (NCQG). The $100bn covers all forms of climate action, and adaptation makes up only 7%[27] of this.

It is possible to calculate what represents a 'fair share' of climate finance for individual countries, based on the $100bn target, historical emissions, GDP and population. In 2020, seven countries had paid their 'fair share' of climate finance – Denmark, Sweden, France, Germany, Norway, the Netherlands, and Japan. In the period leading up to 2025, only four countries have made climate finance commitments commensurate with their fair share: Sweden, France, Norway, and Japan[28].

**European countries should step up their climate finance, pledging to pay at least their 'fair share' by 2025.**
At COP 26, developed countries were urged to double their adaptation finance by 2025, from 2019 levels.

**European countries should set out how they are making progress towards the doubling of adaptation finance.**

Access to finance remains problematic in terms of the limited number of African bodies for which accreditation has been agreed, the highly bureaucratic and time-consuming procedures, and the project-based nature of funding.

**European and African countries should work together with finance providers to increase the direct accreditation of African institutions.**

Shifting finance from the current project-based funding model to long-term programmatic support will require clear operating models to be demonstrated, which the major climate funds can then follow.

**More African countries could come forward to develop national plans and identify mechanisms for handling international funding, in partnership with specific European bilateral partners**. There is already movement in this regard among the Least Developed Countries (LDCs) through the LIFE-AR initiative[29] with 6 countries embarking on the process[30]. **Partners will need to invest in monitoring and evaluation processes to provide clear recommendations for changes in multilateral funding procedures, to open up more timely, programmatic funding.**

Access to finance can be complex, especially where more than one donor is involved. Recipients have to deal with multiple applications, monitoring and reporting procedures for a single activity, which results in significant duplication in applying for and reporting on finance. **European donors should seek to harmonise reporting and due diligence procedures, and expand arrangements whereby donors pool funds, working through a lead donor wherever possible.**

Climate impacts can help drive a spiral of indebtedness for individuals, households, local and national governments. The Nairobi Declaration[31], the Summit for a new Financial Pact[32] and the Bridgetown agenda[33] have all called for action to reduce the debt burden on developing country governments, especially those suffering from repeated extreme weather events. The costs of borrowing for African countries have become punitive, as a consequence of US and EU monetary policy measures which have raised international interest rates. **Europe and Africa should work together to set out a workable timetable for debt relief and restructuring, for both existing and new debt.**

Managing climate risk and delivering adaptation need new forms of finance, as set out in Team Europe's Initiative pillar 4[34] on risk finance and pillar 3 on increasing the involvement of the private sector. Understanding the possibilities for the scope and reach of this finance will be essential to understand how gaps can be filled. **Europe and Africa could usefully set-up a joint task force to set out existing risk and blended-finance options, where it has worked well, and highlighting where more needs to be done. Such evidence would be of value in building a consensus towards defining the New Collective Quantified Goal on climate finance.**

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27 https://www.climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2021/
28 Colenbrander, S., Pettinotti, L. and Cao, Y. (2022) A fair share of climate finance? An appraisal of past performance, future pledges and prospective contributors. ODI Working Paper. London: ODI (https://odi.org/en/publications/a-fairshare-of-climate-finance-an-appraisal-of-past-performance-future-pledges-andprospective-contributors/)
29 https://www.ldc-climate.org/about-us/long-term-initiatives/#:~:text=The%20LDC%20Initiative%20for%20Effective,further%20define%20National%20Adaptation%20Plans
30 Bhutan, Burkina Faso, Ethiopia, The Gambia, Malawi, Uganda
31 See footnote 8.
32 See footnote 19.
33 https://www.foreign.gov.bb/the-2022-barbados-agenda/
34 See footnote 11.