

## DONORS ROUNDTABLE - 4 NOVEMBER 2019

### PROGRAM

**INTRODUCTION** : The challenges confronted Africa in the face of climate change are enormous. This requires both international and domestic sources of funding. And their distribution is a key issue for the continent: it is essential that funds are well distributed among countries and also distributed in a more balanced way between adaptation and mitigation issues. Adaptation remains to this day the poor relation of climate financing despite the continent's growing needs. The continent's current resources are not sufficient to offset the impact of these temperature increases. The UNEP Report on the gap between needs and opportunities for adaptation to climate change indicates that the costs of adaptation, even if emissions are reduced, are likely to be two to three times higher than expected, and thus indicates that expenditures will prove to be even higher.

**ADAPTATION COSTS** : The analysis in this case of adaptation costs for all developing countries could reach up to \$150 billion by 2025/2030, and between \$250 and \$500 billion per year by 2050. This scenario is also possible by assuming that other major measures have been taken to reduce emissions to the required level, i.e. to limit the increase in global temperatures during this century to 2°C above pre-industrial levels. For Africa alone, this cost already represents 7 to 15 billion dollars per year for adaptation by 2020 and could reach 50 billion dollars per year in 2050 even with a stabilized warming below 2°C.

**INTERNATIONAL LEGAL FRAMEWORK:** The legal obligation of developed countries to finance the fight against climate change in developing countries is clear. Under Article 4.3 of the United Nations Framework Convention on Climate Change (UNFCCC), developed countries have committed to provide funds to cover «the full agreed costs incurred» related to climate change in developing countries. In plain terms, these are the additional costs of transitioning from fossil fuel-based economic growth to low-carbon development that is resilient to climate change. It is in this context that developed countries committed in Copenhagen at the end of 2009 to jointly mobilize \$100 billion per year by 2020, starting with \$30 billion between 2010 and 2012 to restore trust between the parties and launch a number of initiatives quickly (so-called «fast-start» financing). But since then, the countries of the South still do not know whether the developed nations will honor the commitment made. In the absence of a common language of definition, monitoring these flows presents enormous difficulties. Fast-start» financing has shown the limits of the commitment made in Copenhagen: a large part of the flows has proved to be existing and re-labelled Official Development Assistance. A part of the funding was actually humanitarian aid budgets or, in some cases, financed climate or eco-friendly projects (e.g. «clean» coal-fired power plants, large dams).

**MULTIPLICITY OF CLIME FUNDS** : The complexity of the global climate financing process comes from the multiplicity of funds, the channels through which they are disbursed and the understanding that exists from one point to another. Contributing countries claim to have achieved the Fast Start target, while at the same time the volume of medium-term climate financing has been more uncertain than ever and public financing has increased very little since the end of 2012. Thus, the Economic Commission for Africa (ECA) revealed that only 45% were committed, 33% allocated and about 7% disbursed. If climate financing has increased, it is often in the context of stagnant ODA: what amounts to undressing Paul to dress Pierre with the same euro. As for the multiplicity of funds and disbursement channels, even if it increases the access possibilities of beneficiary countries, it nevertheless makes the process very complex. This is demonstrated through the difficulties of monitoring, accounting for, verifying and reporting on the effective and equitable use of climate finance. The current climate financing mechanisms put a severe strain on the coherence of financing and compliance with commitments, but are very insufficient in relation to the needs expressed. Very insufficient and inappropriate financial flows in response to climate change. Thus, despite the high needs and commitments under the Convention, financing is still lacking in almost all developing countries.

**AFRICA** : Africa is too often the poor relation of donors: it is estimated that 1 to 2 billion dollars are Africa's adaptation to climate change through different sources (climate funds, bilateral aid, etc.). But more accurate CFU3 data shows that since 2003, only \$2.309 billion has been allocated (through climate funds) to 453 projects and programs in sub-Saharan Africa, including \$600 million approved in 2014. Only 45% of the funding provided is dedicated to adaptation measures, which is significantly less than the \$7 to \$15 billion per year estimated to be needed to finance the region's adaptation needs alone until 2020. Given that more than 45% of Africa's population lives in countries with the lowest adaptive capacity in the world, it is crucial to invest in basic social service systems, as well as in institutional capacity building. The benefits of financing climate change adaptation and mitigation efforts are enormous when it comes to building policy capacity. It is a catalyst and can at the same time contribute to the fight against poverty and sustainable development in Africa.

The purpose of this Donors Roundtable is to foster the necessary financial resources to achieve the adaptation of African agriculture to climate change.

### **Panel 1 : Prioritization and Anchoring of Climate Financing**

1. Presentation of the Climate Smart Investment Plans (CSAIPs) development vision and process and the role of AAA.
2. Presentation of the results and possibilities for the implementation of the CSAIPs.
3. Importance of multi-country exchanges on climate financing.



## **Panel 2 : Regional strategies to mobilize climate financing, AAA as the agriculture arm of AAI**

1. Presentation of regional strategies to mobilize climate finance in African countries.
2. Status of climate finance in Africa and future trends.
3. Presentation of results of the first dialogue on the implementation of the Nationally Determined Contribution (NDC) for agriculture in Africa, held on 22 and 23 July 2019 in Rabat.
4. Role of the private sector in popularizing market-level adaptation/financing or subsidies and public finance? Policy choices or parts of a “holistic” system.

## **Panel 3 : Private Sector**

1. How to facilitate the effective engagement of the private sector in climate action in African agriculture?
2. How to build Private Public Partnership in climate financing for African agriculture?

## **Panel 4 : UM6P Catalysing Science & Technology for Agricultural Development in Africa**

## **Panel 5 : The African Plant Nutrition Institute: Putting Plant Nutrition in the Forefront for a Resilient African Agriculture**