

An OECD Perspective on
Overview of Adaptation Efforts – Main Achievements
and Challenges

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1. Rationale for Adaptation in an OECD context

Developing Countries

High natural
resource dependence

Low/Coping Capacity



Development
Co-operation

OECD Countries

Much stronger climate change
signal in high latitudes

Much higher capacity to adapt
(if not here then where?)

2A. Why Development Co-operation Is Important for Adaptation

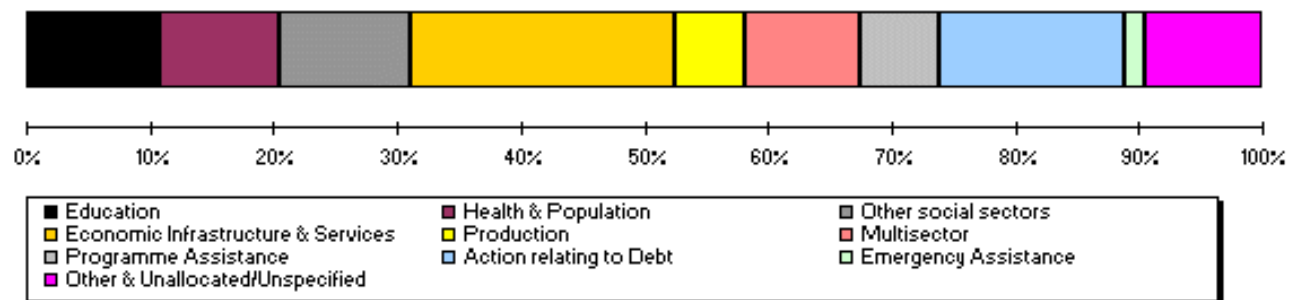
Bangladesh

| Receipts | 2001 | 2002 | 2003 |
|--|-------|------|-------|
| Net ODA (USD million) | 1 030 | 913 | 1 393 |
| Bilateral share (gross ODA) | 54% | 56% | 48% |
| Net ODA / GNI | 2.1% | 1.8% | 2.6% |
| Net Private flows (USD million) | - 45 | - 17 | - 118 |

| For reference | 2001 | 2002 | 2003 |
|-----------------------------------|-------|-------|-------|
| Population (million) | 133.3 | 135.7 | 138.1 |
| GNI per capita (Atlas USD) | 380 | 380 | 400 |

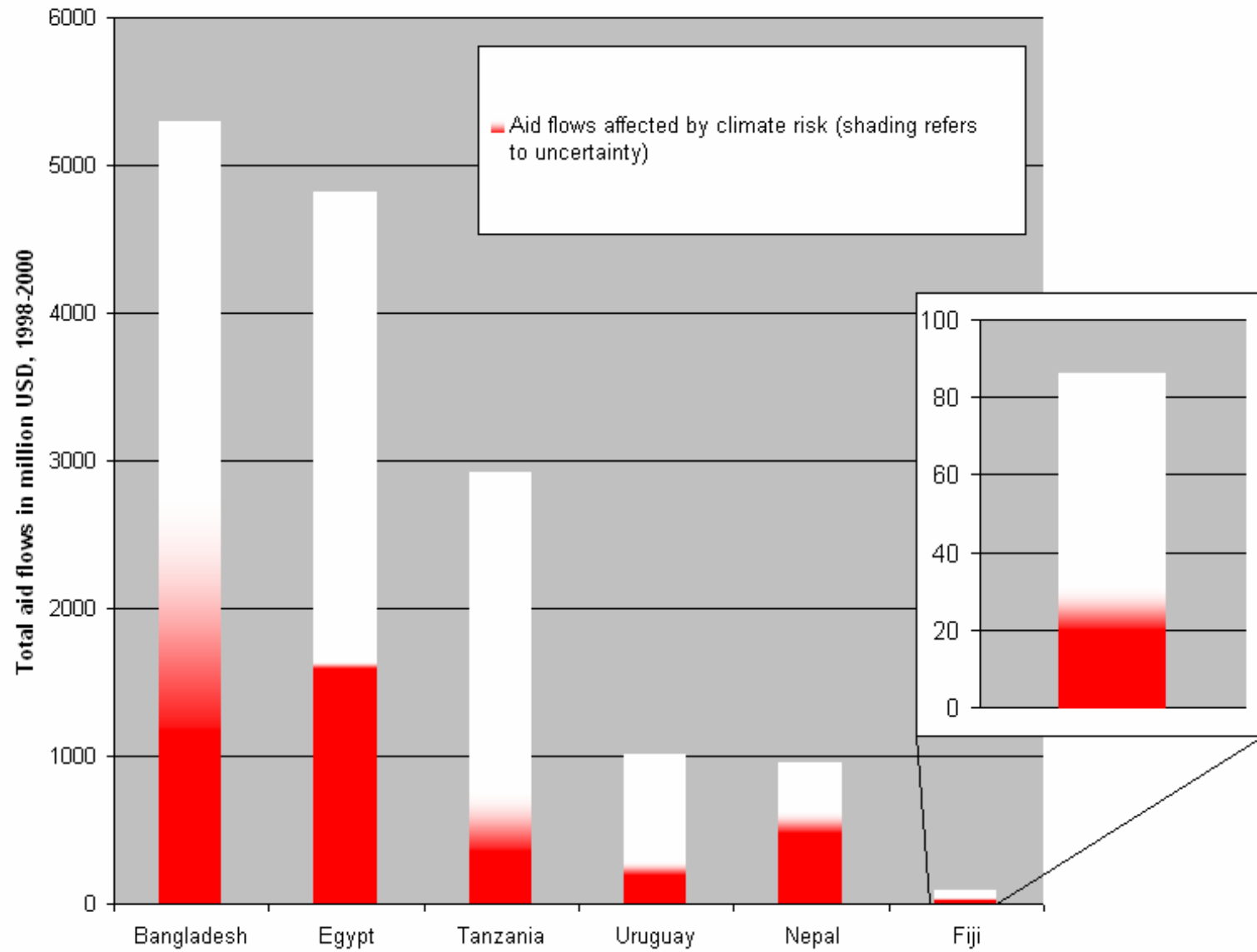
| Top Ten Donors of gross ODA (2002-03 average) (USD m) | |
|---|---------------------|
| 1 | IDA 410 |
| 2 | Japan 262 |
| 3 | United Kingdom 188 |
| 4 | AsDF 175 |
| 5 | United States 95 |
| 6 | Netherlands 51 |
| 7 | Denmark 41 |
| 8 | EC 39 |
| 9 | Canada 35 |
| 10 | SAF & ESAF (IMF) 35 |

Bilateral ODA by Sector (2002-03)



Sources: OECD, World Bank.

2B. Why Climate Change Might Matter for Development Co-operation

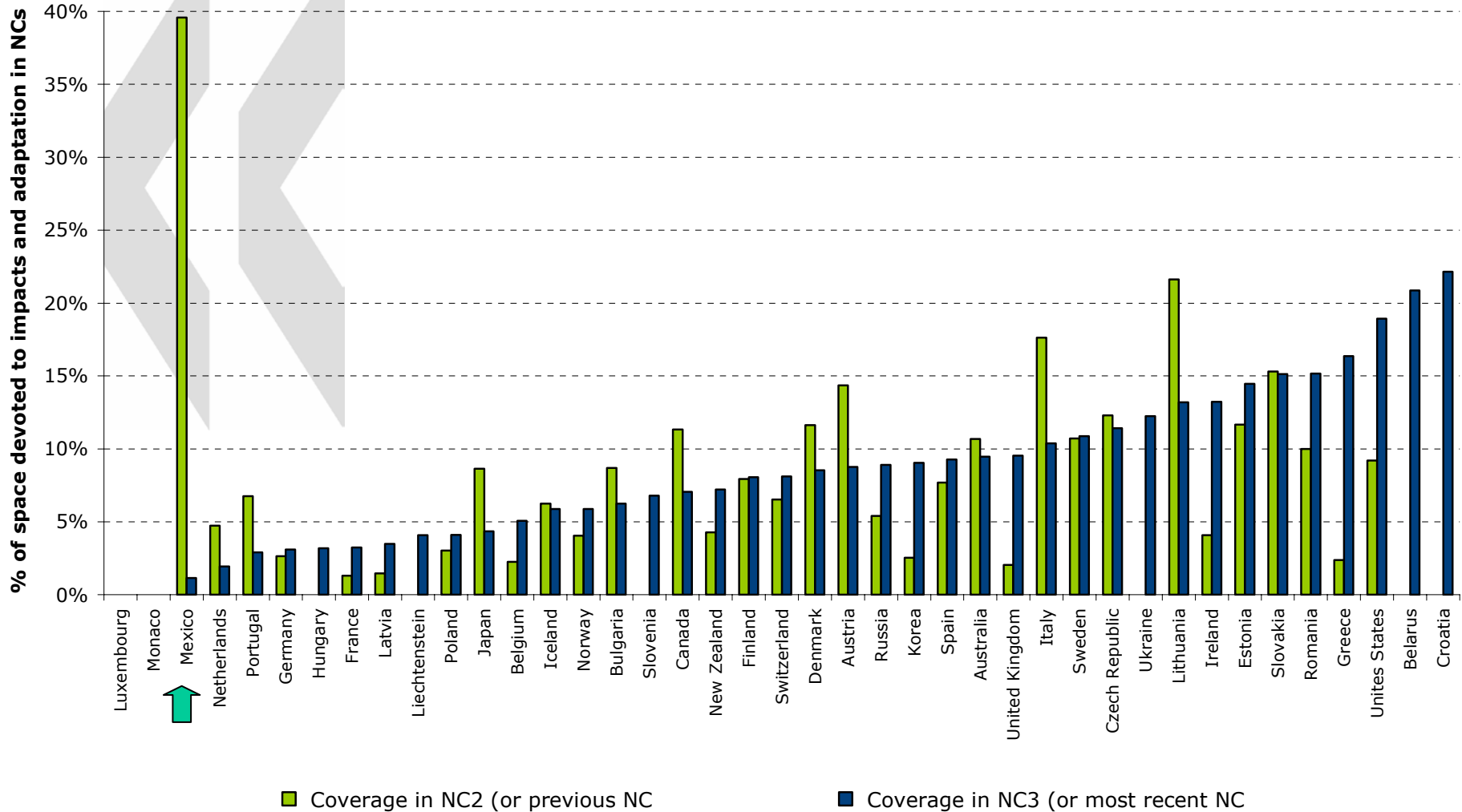


3. Do Development-Cooperation Activities Pay Attention to Climate Risks/Climate Change ?

- *Some* climate risks are routinely considered in development co-operation activities; Development activities also contribute to improving adaptive capacity.
- National governments and donors are engaged in a number of climate change specific activities (assessments, action plans etc.); A few such initiatives have also made the cross-over to “line Ministries” or national budgetary processes.
- Mainstreaming of adaptation is also gaining policy profile among several donors; and climate risk screening tools are being developed.
- In general, however, Development plans, Poverty Reduction Strategy Papers, Donor Country Assistance Strategies, and project documents do not pay attention to climate change, or often not even to current climate risks.
- Policy coherence remains a major concern between climate change and development priorities

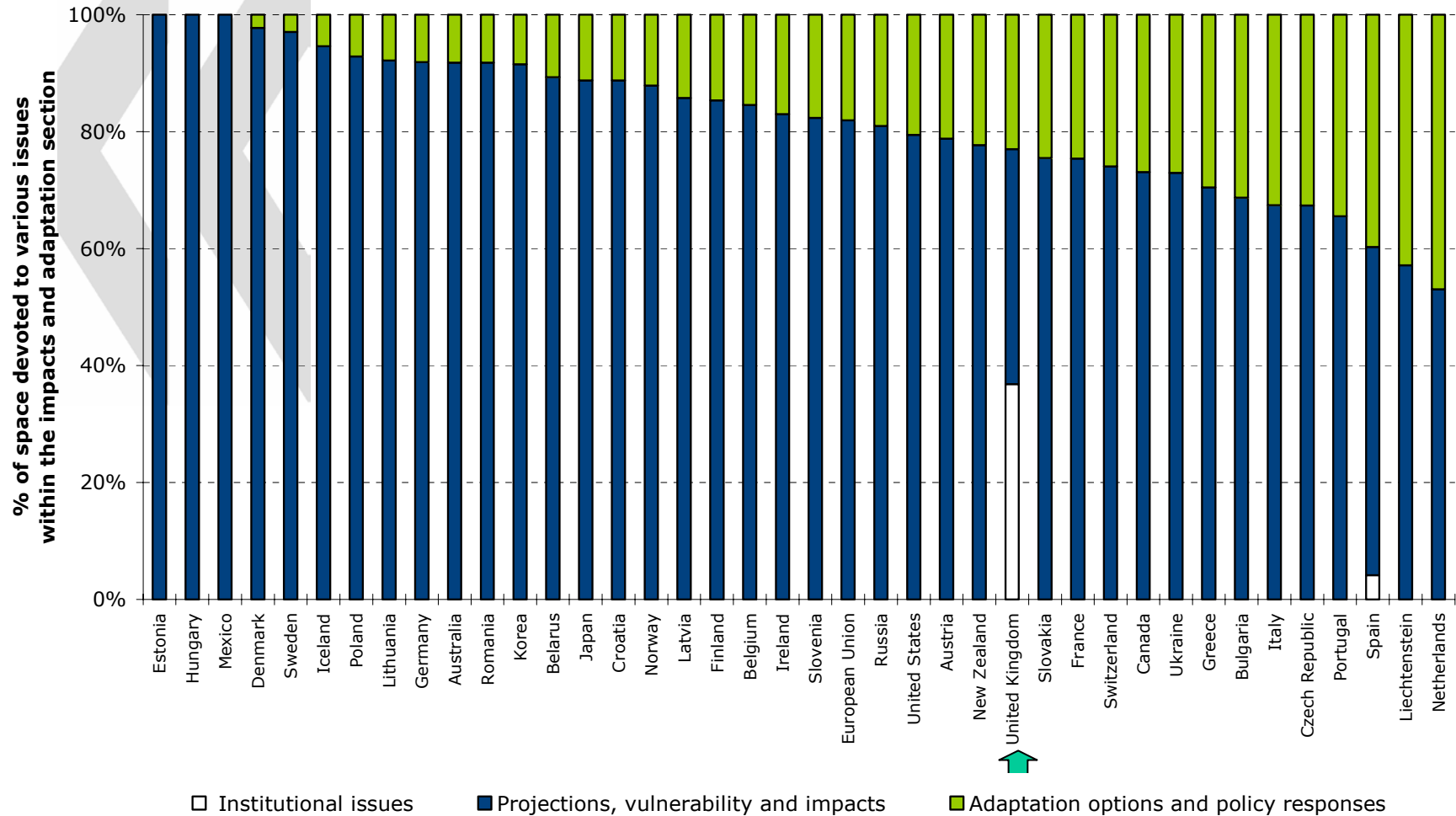
4. Adaptation in Domestic Developed Country Contexts:

Mitigation vs. Impacts/Adaptation in National Communications



4. Adaptation in Developed Country (OECD/Annex 1) Contexts :

Coverage of Issues Within Impacts/Adaptation Sections on NCs



5. The Big Picture on Adaptation Across OECD/Annex1 countries:

- About a quarter of developed countries are at a very early stage in terms of impact assessments (as of NC3)
- Most developed countries have advanced impact assessments and are currently developing adaptation responses
- A few developed countries are moving towards implementation and mainstreaming of adaptation at the national/sectoral/project level

Some Examples

- **Infrastructure:** Confederation Bridge (Canada); Copenhagen Metro (Denmark); Thames Barrier (UK)
- **National Policy level:** French Strategy for Adapting to Climate Change (2005); Adaptation Policy Framework (UK)
- **Sectoral / Regional / Local Actions:** 1996 Flooding Defence Act and 2000 Coastal Defence Policy (The Netherlands); Shore protection and wetland migration programs (US states)

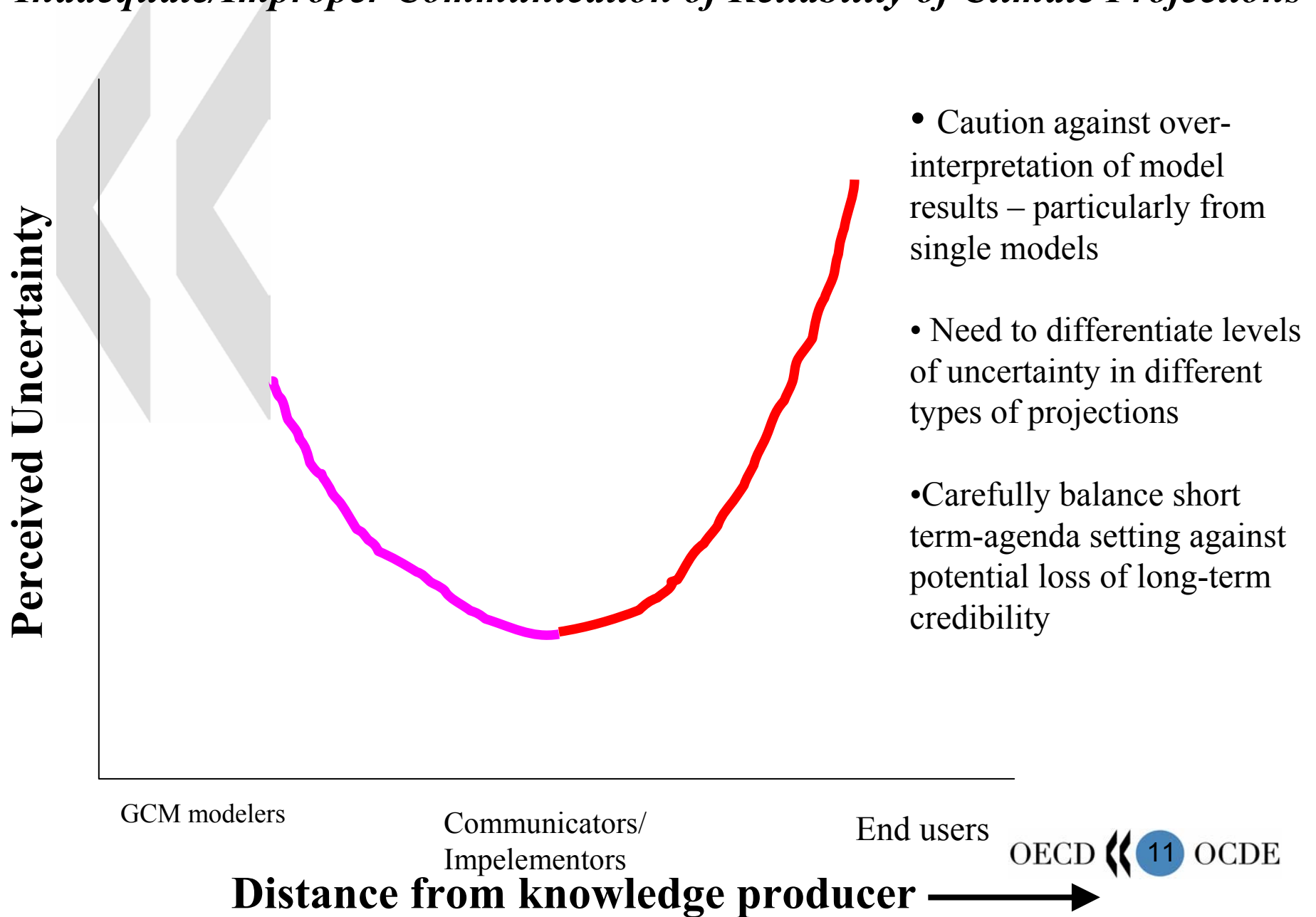
6. Some Challenges Facing Implementation of Adaptation

➤ ***Limited Relevance* of climate projections for operational decisions**

- Mismatch of spatial/temporal scales between projections and decisions
- Decisions are often more sensitive to extremes than mean trends
- Decisions are often more sensitive to derived variables e.g. weather sequences within the climate which cannot often be projected

Challenges Facing Implementation of Adaptation [cont'd]

Inadequate/Improper Communication of Reliability of Climate Projections



Challenges Facing Implementation of Adaptation [cont'd]

➤ *Segmentation and other barriers within government agencies*

- Environmental agencies often have limited leverage on “line ministries” for domestic action on adaptation
- Development cooperation agencies typically have one or two climate specialists with varying degrees of internal influence on operational decisions
- Sectoral decision-makers also often face a “mainstreaming overload” – adaptation to climate change is only one more agenda vying for attention

Challenges Facing Implementation of Adaptation [cont'd]

- *There might be genuine trade-offs between adaptation and other priorities*
 - Expensive adaptation investments which might only pay off in the long term might divert scarce resources from pressing priorities
 - At the project level, taking climate change into account might complicate operating procedures, impose additional reporting requirements, and raise costs
 - Sometimes time horizons for profitability and investment return periods might be short enough to accept the likelihood of longer term climate risks

