



AUSTRALIA

Enhanced action on adaptation

Submission to the AWG-LCA

This submission contains Australia's further views on enhanced action on adaptation, including risk management and risk reduction strategies. Australia's support for scaling up financing to support action on mitigation and adaptation is covered in a separate submission.

Role of the UNFCCC

Consideration by the AWG-LCA of the UNFCCC's role in supporting adaptation should focus on three key elements:

- . Determining a mechanism for raising significantly increased financing for adaptation, and agreeing a method for prioritising support;
- . Promoting coordination amongst those countries and agencies supporting adaptation efforts; and
- . Catalysing action at the local level, including through facilitating the provision of appropriate and to-scale information on the scientific and technical aspects of adaptation to decision-makers.

Prioritising support for adaptation

The need for increased financing for adaptation is clear. But we also need to be clear about what we want to achieve from increased financing to support adaptation. The key objective should be to ensure strong support for those most vulnerable to climate change.

Determining what are effective responses to climate change depends on local circumstances and will vary greatly from one locality to another. Local communities therefore need to be closely involved in developing and implementing adaptation responses. Our challenge is to most effectively prioritise resources at an international level in a way that respects the local nature of adaptation activities.

The AWG-LCA should consider methods or broad criteria for determining Parties' vulnerability to climate change and prioritising multilateral support. Such prioritisation needs to be responsive to changing circumstances and capabilities of Parties.

The first step is to determine which Parties are most exposed to the adverse physical effects of climate change, based on information drawn from accepted authorities such as IPCC reports. The second step is to evaluate capacity to adapt. While no simple metric exists to measure capacity to adapt to climate change, there is a well-recognised link between adaptive capacity and level of human development. A capacity indicator could draw on widely-accepted measurements of development, including the OECD DAC data and the UNDP's Human Development Indicator.

Efforts to evaluate vulnerability to climate change have been questioned because they involve judgments about the relative harm of different climate change impacts and value of adaptation responses - for example, whether it is more important to protect coastal areas from sea-level rise or develop more drought-resistant crops. Such judgments should not be made in a multilateral setting such as the UNFCCC. Decisions about which adaptation activities have priority should rest primarily with individual countries and be aligned with their broader sustainable development strategies.

We also need to consider how to improve the capacity of vulnerable countries to identify and communicate their adaptation priorities. This could be done through appropriately tailored National Communications, or an enhanced NAPA-like process which is integrated within national development plans. More detailed information on adaptation needs in National Communications would also enable evaluation of the effectiveness of various adaptation strategies.

Coherence and coordination in implementing adaptation

Just as there is a strong link between a country's level of development and its adaptive capacity, significant cross-over exists between effective adaptation actions and sound development practices. It is important that in addressing adaptation actions, we draw on lessons learnt in the development field and recognise that most development activities result in reduced vulnerability to climate change impacts.

Even more important is the need to avoid creating a "silo" around adaptation activities. National adaptation priorities should form part of a country's broader national planning and budget processes.

At the international and regional level, many institutions working in adaptation-related fields (such as development and disaster risk reduction) have a high level of specific expertise and local knowledge. Effective links between such institutions will enable greater sharing of information and resources. It would not be effective to create another layer of international or regional architecture under an “adaptation” banner. Instead, deficiencies in existing coordination mechanisms should be addressed.

The technical paper on adaptation activities being undertaken by UN agencies will be useful in identifying linkages and remaining gaps. The UN system-wide coherence mechanism should be a key means of enhancing coordination. Regional centres, relying as far as possible on existing regional architecture, could also play an important role in addressing remaining gaps in coordination.

At the national level, further progress towards integrating adaptation considerations into national-level decision-making (particularly with respect to development priorities) is essential. The Pilot Program for Climate Resistance under the World Bank-administered Climate Investment Funds aims to develop more experience in integrating climate resilience into development plans and activities. Similarly, the Global Environment Facility’s evaluation of its Strategic Priority on Adaptation should provide further lessons on how the UNFCCC’s existing financial mechanism has addressed core adaptation requirements.

Facilitating adaptation at the local level

While adaptation is implemented primarily at the local level, local communities often lack the information required to address adaptation requirements. To make effective decisions about adaptation priorities, local communities need appropriate, locally targeted and useable information on the scientific and technical aspects of adaptation (eg climate modeling and socio-economic data). Actors at the national, regional and international level can facilitate adaptation by providing this information.

A great deal of adaptation will occur independently of government intervention. Providing relevant information about climate change, including the potential costs of impacts, can help communities and businesses take decisions which facilitate effective adaptation.

Recognising the value of relevant information in enabling adaptation, one of the key objectives of Australia’s \$150 million International Adaptation Initiative is to improve scientific information on and understanding of climate change impacts, to assist decision-makers in partner countries. This will

involve engaging with and building the capacity of scientific communities in partner countries, including through cooperative research partnerships.

Risk sharing and transfer mechanisms

Given their lower levels of development, developing countries can be more vulnerable to severe climate impacts, and damages and response time can be proportionally greater than in developed countries. Risk sharing and transfer mechanisms such as insurance could be one of the options for better managing natural disasters and climate change impacts.

Australia welcomes discussion on this issue, including by supporting the costs of preparation of the UNFCCC technical paper on this topic. It is important to remember that insurance by itself only transfers risk, it does not reduce it. Care needs to be taken to ensure insurance does not present a “moral hazard” or lead to maladaptation.