



Adapting to Changing Climate Will Cost More Than Ever Imagined

There are many moving parts in the global climate negotiations operated through the United Nations Framework Convention on Climate Change (UNFCCC). Emissions reduction targets, mitigation activities to reduce the incidence of climate change, adaptation actions to deal with the effects of climate change, multi-country blocs, divides between developed and developing countries, energy, water, forests and much, much more.

Including money. Lots of money.

It is inevitable that money would play a part and CarbonEdge has reported previously on various aspects of how the financial issues play out in the global negotiations.

The most recent United Nations estimates of the annual global funding required just for adaptation are staggering:

Agriculture	USD14 billion
Water	USD11 billion
Human health	USD5 billion
Coastal zones	USD11 billion
Infrastructure	USD130 billion
Total	USD171 billion

But recent research by the UK non-profit research group, the International Institute for Environment and Development, suggests that the modelling used to establish these figures is way off the mark and should be revised.

Meantime, the West African country, Benin, says the coastal zone adaptation figures are well wide of the mark based on their own coastal erosion in recent years. CarbonEdge has been unable to determine just how much of that coastal erosion is due to changing climate brought about by global warming and how much is consistent with the long term averages. It is possible the Government of Benin does not know either.

It is difficult to know how much of the current noise calling for increased adaptation funding is just pressure for bigger handouts from developed to developing countries or, alternatively, is pressure for larger emissions reduction targets to be agreed by developed countries at the Copenhagen negotiations at year's end.

In response to the new research, Yvo de Boer, the head of the UNFCCC commented that: "...Starting to plug the hole right now is more important than determining its exact future size. ...The essential issue is that mechanisms are put in place which will allow public and private sector finance to be significantly scaled up over time so that funding for climate action in the developing world does not have to be renegotiated every year."

This is the important issue. The funding, ultimately, has to be agreed and the funds are going to have to be provided from rich countries to poor countries and from public funds, as well as private funds. The certainty issues de Boer raises are important from every perspective, no matter whether you are on the paying end or the receiving end.

The next edition of CarbonEdge (due out on 27th November just 12 days before the UNFCCC Copenhagen Conference) will focus on the international negotiations, including global financing mechanisms and the impact on your business. 