



LDC5
5TH UNITED NATIONS
CONFERENCE ON THE
LEAST DEVELOPED COUNTRIES

High-level Thematic Round Table 5

Addressing climate change and supporting the environment

March 7, 2023

Doha time: 14:00 - 17:00

Thematic Roundtables Hall

Concept Note

#LDC5

The least developed countries (LDCs) are among the most vulnerable nations on the planet to the adverse impacts of climate change. Disasters have a disproportionate impact on LDCs in terms of economic losses, deaths and missing persons, disrupted livelihoods, and damage to critical infrastructure. According to data from the Sendai Framework Monitor, in 2020, LDCs reported about 26 per cent of persons with livelihoods disrupted or destroyed by disasters, even though they account for only about 15 per cent of the total population of countries reporting. While LDCs account for about 4 per cent of GDP of countries reporting, they suffered 10 per cent of the reported economic losses and 6 per cent of the reported destruction or damage to critical infrastructure.

Weather-related hazards are the cause of most economic loss, and the LDCs consistently rank food, water, ecosystems and infrastructure as the most vulnerable systems to climate change hazards. Adaptation in agriculture and livestock is of primary importance for the LDCs and can have major implications on food security. This affects livelihoods, especially those of the most vulnerable segments of society, as well as employment. Water resources already face multiple pressures and are highly sensitive to climate change such as a disruption in rainfall patterns and increased frequency of both extreme and slow-onset events. Furthermore, climate change impacts can act as a threat multiplier, and trigger or exacerbate conflicts, including over scarce natural resources.

At the same time, LDCs are rich in biodiversity and natural resource endowments. The Doha Programme of Action, together with other relevant international agreements, call for ensuring that the LDCs are able to adapt and reduce disaster risk faster than the pace of worsening climate impacts. There are several important outcomes from COP 26 and COP 27 for the LDCs, which are discussed below. The challenge ahead is to ensure implementation.

In addition, the LDCs must receive the necessary support in terms of finance and technology transfer to ensure that strong economic growth is decoupled from emissions, reduces rather than creates disaster risk, and does not erode their natural resource base, nor degrade their often-fragile ecosystems.

Over the 21-year period since the establishment of the Least Developed Countries Fund (LDCF), 51 current and graduated LDCs gained access to USD 1.75 billion in grants (as at September 2022). However, the demand for fund resources continued to exceed the funds available for new approvals. Under the Green Climate Fund (GCF), which is the largest dedicated climate fund, by July 2022, total funding for the LDCs reached USD 3.0 billion, or 28% of the Fund's global portfolio. By end 2020, the Adaptation Fund had approved a cumulative total for LDCs of USD 205 million for projects, and readiness grants worth USD 844,000 since its creation in 2001.

The commitment to provide USD100 billion must be achieved urgently. The second replenishment of the Green Climate Fund (GCF) is also a critical milestone.

COP28 and beyond

At COP26 and COP27, Parties agreed on a number of important outcomes for the LDCs and developing countries in general, which must be followed up on as a matter of priority.

The Sharm el-Sheikh Implementation Plan created a new loss and damage fund, and outlined a process to design and operationalize it by COP 28. It is important that this takes place as rapidly as possible, including identifying new, additional, and predictable funding.

The Sharm el-Sheikh Implementation Plan also issues a clear call for reform of multilateral development banks (MDBs), in order to define a new vision and commensurate operational model, channels and instruments that are fit for the purpose of adequately addressing the global climate emergency.

The decision on the Santiago Network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change must be followed-up on to enable its full operationalization, including supporting its mandated role in catalysing technical assistance for the implementation of the relevant approaches.

The Glasgow Climate Pact calls on developed countries to double their adaptation finance by 2025 (as compared to 2019 levels). While the UNFCCC Committee on Finance has been mandated to prepare a report on the issue, concrete progress is needed. The initiation of discussions on the Global Goal on Adaptation is an important step forward.

The Climate Ambition Summit to be convened by the Secretary-General in 2023 at the heads of state level will be an important milestone for assessing progress towards the Global Stocktake at COP28.

Critical areas for implementation under the Doha Programme of Action

The Doha Programme of Action for the LDCs provides important areas for complementary action on the SDGs, Sendai Framework for Disaster Risk Reduction, decisions under the UNFCCC and environmental agreements and bodies.

The LDCs continue to face difficulties in accessing finance. Most LDCs currently cannot access international public finance directly but rely on the international system to assist them. Furthermore, LDCs face constraints in preparing adaptation plans and projects for financing under the established funds, both because of shortage of technical capacity but also because the access conditions are complicated and onerous. Enhanced support is needed to assist the LDCs in preparing bankable projects, including through established mechanisms such as the LDC Expert Group and the new UNFCCC-led UN-wide National Adaptation Plan partnership (UN4NAPs).

LDCs also face significant gaps and capacity constraints in meeting disaster risk reduction targets outlined in the Sendai Framework. Enhanced financing, technology transfer, and capacity building is needed for LDCs to collect disaster loss and damage data, conduct multi-hazard risk assessments that include climate forecasts, and install multi-hazard early warning systems. It is critical that this disaster risk information informs policy and investment decisions in all sectors while also increasing public access to disaster risk information and early warnings. The integration of a risk-informed approach to development planning and economic policy, including structural transformation and the development of productive capacities, can be supported through the implementation of multi-hazard and multi-sectoral national and local disaster risk reduction strategies that are aligned with the Sendai Framework. Such strategies are most effective when endorsed at the highest level of government, supported by regulations and legislation, and linked with economic and development policy, planning and budgeting processes. The Doha Programme of Action highlights the importance on multi-hazard early warning systems. The Secretary-General's early Warning for All Initiative provides the opportunity to make advances in LDCs, who are farthest behind.

The upcoming mid-term review of the Sendai Framework provides an excellent occasion to assess progress made in LDCs in implementing the Sendai Framework, strengthen linkages with the Doha Programme of Action and provide specific recommendations for LDCs to close the gaps.

With a view to building readiness for the newly established Loss and Damage Fund until it becomes operational after COP 28, the activities of the Santiago network will catalyze technical assistance to enable LDCs to develop concrete actions to address losses and damages due to climate change. Reliable sources of clean energy are an essential enabler for LDCs to build productive capacity, move up global value chains, decouple economic growth from greenhouse gas emissions, and improve health-related impacts of domestic energy use, especially for women and girls.

The pathway to net-zero emissions requires a substantial increase in the share of renewable energy in all three main end-use categories: electricity, transport, and heating/cooling. Despite the immense renewable potential of the energy sector in LDCs, these countries rarely benefit from larger financing schemes to the same extent as more prosperous, developing countries. While public finance remains a significant source of global renewables investments and key to leveraging private finance, financial flows to LDCs remain far short of the level required to meet energy targets by 2030. Of the USD 14 billion commitments to developing countries in support of clean energy in 2018, USD 2.8 billion were allocated to LDCs. Over the period 2010-2018, LDCs attracted 20% of total financial flows (or USD 26.8 billion) – a share that has remained relatively stable.

In order to achieve renewable energy goals, LDCs need to strengthen institutions dedicated to renewable energy policy, regulation, and standardization to drive change at the required scale and pace. To do so, the LDCs need enhanced access to different sources of financing as well as dedicated support to build capacity and assist developers in the preparation of bankable and resilient renewable energy projects. Furthermore, energy policy decisions and planning using robust data, factoring in long-term scenarios and climate adaptation could improve the cost-effectiveness of renewable energy projects and help build resilience.

Guiding questions:

1. How can climate change adaptation, disaster risk reduction, recovery and rehabilitation considerations and environmental sustainability be mainstreamed in critical sectors in LDC economies?
2. How can LDCs be better supported LDCs to access climate finance for adaptation and risk reduction measures, as well as for addressing loss and damage?
3. What proven capacity building measures are needed to ensure that LDCs are able to implement adaptation, risk reduction and loss and damage measures effectively once finance has been secured, and scale up their absorption capacity?
4. What capacity development support and technology transfer to LDCs is needed to be able to conduct multi-hazard risk assessments and apply a systemic understanding of risk in the development of policies and strategies in all sectors?
5. How should the nexus and resilience-continuum approaches be considered and applied to ensure successful adaptation and effective treatment of losses and damages from adverse impacts of climate change?