



CLIMATE CHANGE

Development cooperation fact sheet: February 2020

Climate change is a major risk to sustainable development and threatens global efforts to eradicate poverty. Ensuring that Australia's investments address climate risk, reduce emissions and build resilience to climate change, particularly in the Indo-Pacific, improves the effectiveness and sustainability of our development cooperation.

Strategic direction

Australia's Foreign Policy White Paper states that climate change, environmental degradation and the demand for sustainable sources of food, water and energy will be political, economic and security disrupters over the long term. Economic and security effects of climate change will sharpen and increase global stresses on the supply of food and water.

The **Indo-Pacific is particularly vulnerable** to climate change impacts. Climate change has been identified as the single greatest threat to the livelihood, security and wellbeing of Pacific people [*Boe Declaration, 2018*]. Impacts of climate change **exacerbate pre-existing vulnerabilities** associated with a range of factors including poverty, environmental degradation, disability and gender inequality.

Australia is a signatory to the **United Nations Framework Convention on Climate Change**. Parties to the convention meet annually to assess progress in dealing with climate change. At the 2015 Conference of the Parties (COP) meeting, Australia joined the **Paris Agreement** which aims to limit global warming to well below two degrees Celsius, and pursue efforts to limit the rise to 1.5 degrees Celsius. As Chair of the **Umbrella Group** of countries—one of four major negotiating groups that includes the US, Canada, Japan, Russia and others—Australia was influential at COP24 in securing a robust set of rules for implementing the Paris Agreement on climate change. Australia implements its international commitments through domestic action, and helps developing countries implement their own commitments through development assistance.

The Australian Government committed to providing **\$1 billion of climate finance over 2015-16 to 2019-20** through the aid program to support developing countries in our region to build climate resilience and reduce emissions. This includes \$300 million over 2016-17 to 2019-20 on climate and disaster resilience support to the Pacific. We engage with our developing country partners on effective disaster risk reduction,

climate change science, adaptation planning and capacity building.

This assistance comprises targeted climate development assistance programs and integrates climate change in existing and new aid investments. Our approach is **socially-inclusive** and focuses on those most vulnerable to climate change. The inclusion of women and girls, indigenous and marginalised groups is encouraged in climate change and disaster resilience programming as they can be particularly vulnerable to the impacts of climate change, but are also able to be active contributors to climate change responses.

Key climate change terms:

Mitigation: reduction of greenhouse gases released into the atmosphere, including through activities that remove or reduce emissions—either through natural systems such as forests, or through technologies such as carbon capture and storage.

Adaptation: ability to adjust to climate change to minimise potential impacts, take advantage of opportunities or to cope with the consequences.

Resilience: capacity to tolerate shocks or disturbance, and to recover and rebuild a better 'new normal' in adapting to changes. Resilience has economic, social and ecological dimensions.

On 1 November 2019, the department released its **Climate Change Action Strategy**, which outlines DFAT's approach to responding to climate change in the development assistance program from 2020 to 2025.

Strategic priorities

- Helping developing countries in the Indo-Pacific region **reduce their carbon emissions**.
- Supporting partner countries **plan for, reduce the risk of, and adapt** to climate change; build resilience and manage climate change impacts, taking a socially-inclusive approach.
- Supporting opportunities to increase climate finance investments by the **private sector** in the Indo-Pacific region, given the key role played by the sector in partner countries' transitions to low-emissions, climate resilient economies.
- Supporting the sustainable ocean economy and healthy oceans through international cooperation to **protect our oceans**, by promoting clean, healthy and productive oceans, sustainable use of marine resources and resilient coastal ecosystems.

Evaluation of Australia's climate change assistance

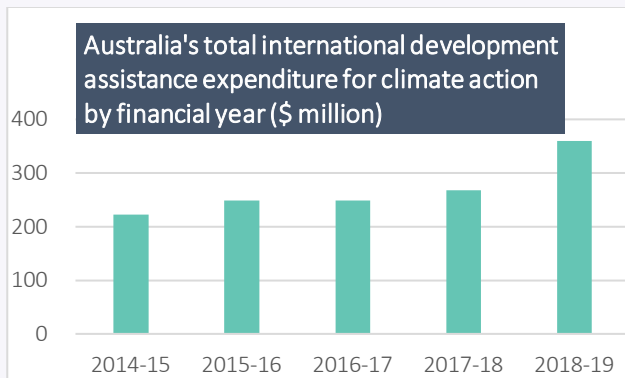
The 2018 Office of Development Effectiveness evaluation of Australia's climate change assistance identified key characteristics of stronger performing climate change investments:

- longer investment timeframes (5 years or longer)
- climate change risks framed within the broader development goals of partner countries
- scientific and technical partners with strong on-the-ground service delivery experience
- an appropriate level of technical input in design and implementation.

Sector Performance

Integration of **climate change action and disaster risk reduction** across our aid program protects investments, builds long-term resilience to climate and disaster impacts, and helps our development partners manage climate risks.

Australia is on track to exceed its \$1 billion climate finance commitment, having already delivered \$1.1 billion of this funding in the first four years of the five year commitment period.



In 2018-19, we spent **\$360 million** on climate finance, based on OECD climate finance accounting guidelines.

Climate Finance by Region	FY18/19 Actual Spend
Recipient country/region	\$million
Pacific Islands bilateral and regional (includes Papua New Guinea)	91
Southeast and East Asia	16
South and West Asia	19
Other Asia	73
Global programs (including multi-regional) and core contributions to multilateral organisations	162
TOTAL	360*

* Due to rounding, discrepancies may occur between sums of the component items and totals.

Investment examples

In the Solomon Islands, the Tina River Hydropower Project (\$28.8 million to 2024) will build a 15 megawatt **hydropower facility** that has the potential to meet two thirds of Honiara's forecast 2022 energy demand, which today is almost entirely powered by expensive and unreliable diesel energy.

Through the Pacific Resilience and Governance Program (\$10.4 million, 2018-19 to 2021-22) Australia is working with Fiji, Solomon Islands, Tonga and Vanuatu to **integrate climate and disaster risks** in national and sub-national plans and policies.

DFAT is supporting the **management and restoration of global coral reefs**, by assisting in the development of cutting-edge technology to better assess reef conditions in the Pacific (\$2 million, 2018-19 to 2019-20) and supporting capacity building and data collection activities through the International Coral Reef Initiative (\$1.3 million, 2017-18 to 2019-20) and Global Coral Reef Monitoring Network (\$1 million, 2018-19 to 2020-21).

Climate change and the Sustainable Development Goals (SDGs)



Australia is committed to the SDGs, notably:



SDG 13: Take urgent action to combat climate change and its impacts.

As a cross-cutting issue, climate change is also relevant for a range of other SDGs, including:



Australia recognises the role of affordable and clean energy in supporting sustainable and inclusive economic growth, including through increasing trade and export opportunities. Similarly, Australia's support for more sustainable cities and resilient agricultural practices can contribute towards low-emission pathways. Limiting global temperature increases would ease the path for other SDGs, such as those related to poverty, hunger, access to water, health, gender equality and sustainable oceans. In turn, achieving many of the SDGs will help countries build resilience to climate change impacts.

For more information see our [website](#).