

Devastating for the World's Poor

*Climate Change Threatens the Development Gains Already Achieved*

By Kemal Dervis

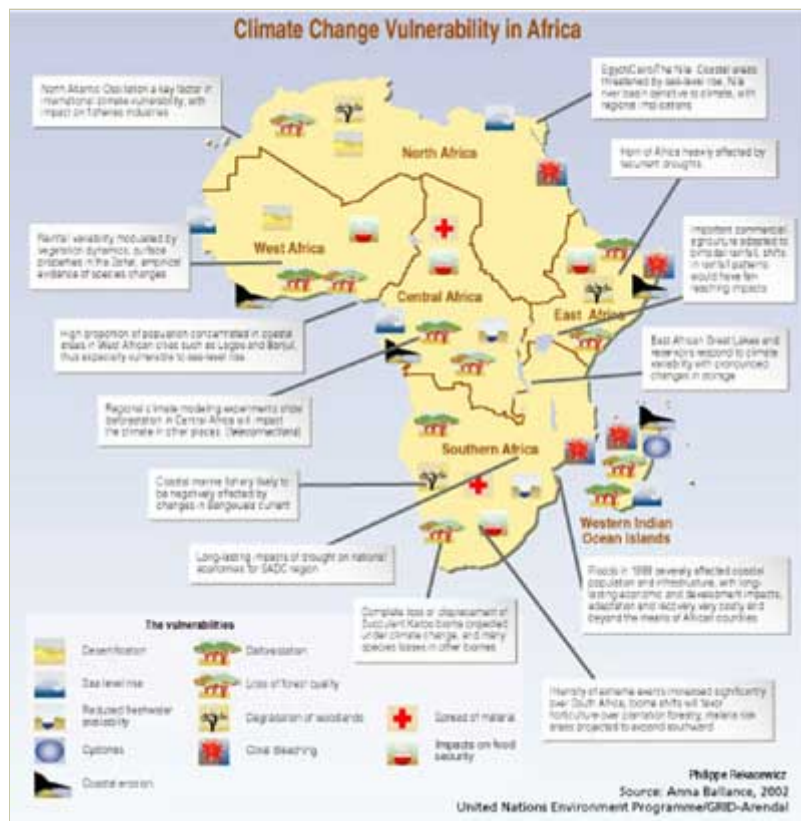
Climate change has emerged as one of the biggest environmental challenges facing the world. Twenty years ago at the United Nations, Gro Harlem Brundtland, Norway's former Prime Minister and former Director-General of the World Health Organization, first drew global attention to the threats posed by climate change to the earth and its inhabitants. Speaking at the 15th session of the UN Commission on Sustainable Development in May 2007, Ms. Brundtland—one of three Special Envoys on Climate Change appointed by the UN Secretary-General in April—made clear that there can no longer be any doubt about human-induced climate change and its likely impact on the planet.

Today there is broad international scientific consensus that greenhouse gas (GHG) emissions from human activity, particularly fossil fuel use and deforestation, have increased the concentration of these gases in the atmosphere. As a result, according to the Intergovernmental Panel on Climate Change (IPCC), the earth's mean surface temperature has warmed by 0.75° Celsius over the past century, and 11 of the last 12 years (1995-2006) have been among the 12 warmest years since 1850. Based on projected GHG trends, temperatures could rise by another 2°C to 5°C, or perhaps even more, by 2100. Increases of this magnitude are expected to have widespread negative impacts on human welfare and natural ecosystems, including wide-ranging economic, ecological and social effects.

Climate change is likely to increase the prevalence of vector-borne diseases, such as malaria and dengue fever, and may increase the intensity of severe weather events. It is likely to lead to an increase in water levels and serious flooding, and at the same time cause water scarcity in arid regions. Climate change is expected to irreversibly damage some natural resources and ecosystems. Overall, climate change is projected to deliver a devastating combination of adverse impacts for the world's poor, both because of geography and low income, making adaptation to climate change much more difficult. While developing countries have contributed the least to the problem, they are expected to bear the brunt of the impact of climate change, which threatens to jeopardize many of the developmental gains that have already been achieved.

While there is overwhelming scientific evidence that climate change is happening and that GHG emissions caused by human activity is a significant and probably dominant cause, there is still a great deal of uncertainty in relation to the likely speed of climate change. For example, how fast is global warming going to occur—is it going to be on average and on current trends of 2°C more or 5°C more by the end of the twenty-first century? There is also a debate on the strength of the link between carbon gas emissions and temperature change: should we try to keep carbon intensity to 450 or 500 parts per million if we want to keep average temperature change to below 2°C by

the end of the century? Beyond the scientific debate on speed and causal links, there is also an economic debate focusing on the cost-benefit analysis of policies to mitigate climate change. The 2006 Stern Review on the Economics of Climate Change provides a comprehensive economic analysis of the costs of policy actions and investments now, compared to the net benefits from such actions in the future. Some of the underlying assumptions regarding the rate at which we should trade-off current costs against future benefits are being challenged. How strongly do we value the welfare of our grandchildren, for example? Some are very optimistic about the progress of technology and world growth, and believe this will make future generations much richer, allowing them to more easily adapt to climate change a few decades from now (financing, massive relocation, water desalination, dams and storm resistant cities, for example).



Others may believe that a global catastrophe will destroy the world anyway, so it does not make sense to think a great deal about the very long-run. It also appears there are differences in how people value biodiversity. For a variety of these and other reasons, some find that too much weight is being given to the future, compared to our immediate lives today. This "trade-off" between then and now depends on intrinsic value judgments (the extent to which one values the survival of certain species or the degree to which one values the welfare of future generations), as well as on projections about technology and income (the more optimistic one is on technology that may be discovered to "fix things", the greater risks one may be willing to take). Therefore, it is likely that the debate will continue over the appropriate parameters for cost-benefit analyses of climate change policies. But uncertainty over the precise impact of climate change and the debate on the appropriate discounting of the future

should not obscure the following facts: Climate change is happening now, and it is and will have effects within our lifetimes.

There is a chance that climate change will accelerate in ways that are not easily predictable and many of the induced changes will be irreversible. While climate change is a global phenomenon, its impact on countries and communities will be very different, with developing countries likely to be the most adversely affected.

Some communities will be affected very strongly and very negatively within the next two to three decades; for some countries, climate change could have catastrophic effects.

The focus of the United Nations Development Programme is tackling poverty and supporting countries in their efforts to advance sustainable human development. In light of the disproportionate impacts climate change is expected to have on the poorest countries, UNDP is working with developing countries on climate change adaptation and mitigation measures that can reduce the vulnerability of poor countries and expand opportunities for sustainable livelihoods.

On the mitigation front, UNDP has promoted energy efficiency and the use of technologies, particularly renewable energy, that emit fewer greenhouse gases. The approach has included strengthening governance and policy frameworks to create an environment conducive to adopting and promoting technologies. Energy efficiency offers the most cost-effective means of reducing the emissions intensity of developing economies and of making a positive contribution to economic efficiency and energy security. It also helps to buy time for countries to develop energy technologies that make less contribution to climate change. Over the past 15 years, UNDP has mobilized \$2.7 billion to fund more than 400 large-scale and 1,000 small-scale energy and climate-related projects, mainly through the Global Environment Facility (GEF) and leveraged co-financing. But traditional sources of financing will clearly be grossly inadequate for the task at hand. Therefore, the UNDP mitigation strategy also focuses on increasing the ability of countries to gain access to the rapidly emerging carbon market, in particular, the Clean Development Mechanism (CDM), which has become a multi-billion dollar source of funding for sustainable development.

To date, UNDP has implemented CDM-capacity development activities in more than 20 countries. It recently established the MDG Carbon Facility, an innovative means of harnessing the vast resources of the carbon market to bring long-term sustainable development to a larger share of the world's population. The Facility aims to increase the portfolio of projects to enable a wider range of developing countries to gain benefits from the CDM, and will promote projects that yield long-term sustainable development benefits, even beyond the reductions in GHG emissions. Although mitigation programmes will be important in developing countries, UNDP recognizes that adaptation will need to be the main focus of assistance in the coming decade. At present, the funds available for adaptation initiatives are woefully inadequate. Much more needs to be done to provide sufficient resources to the poor to enable them to adapt and cope with climate change. UNDP has assisted 29 countries to formulate their National Adaptation Programmes of Action, and 100 countries to

prepare their National Communications for submission to the United Nations Framework Convention on Climate Change. It has also been actively engaged in innovative adaptation projects across a range of sectors and countries-to date, 16 projects involving 40 countries have been advanced, with a total funding of around \$150 million. The key target areas are water-resource management, coastal zones, disaster-risk management, public health and food security.

While UNDP has greatly increased its climate change programme activities in recent years, and will continue to do so, one agency alone will not be able to meet the rapidly growing needs of the poorer developing countries. A key UNDP objective is to work closely with other UN agencies and partner organizations to deliver a comprehensive package of technical assistance services to countries, which draws on the specialist skills of all UN agencies and ensures that countries receive appropriately targeted assistance. A significant first step in this process has been the development of a formal Climate Change Partnership between UNDP and the United Nations Environment Programme (UNEP), which aims to combine their climate change experience and expertise. Its first two major joint activities are a \$1.2-million, seven-country, CDM-capacity development programme in sub-Saharan Africa to help the region gain access to the carbon market, and a multi-country adaptation project to reduce climate risks and vulnerability.

It is clear that climate change represents a major challenge for the world community. UNDP is determined to play its part in meeting this global challenge.

## Biography



Kemal Dervis is Administrator of the United Nations Development Programme and Chair of the UN Development Group. He was a member of the Turkish Parliament and was Minister for Economic Affairs and the Treasury. From 1977 to 2001, Mr. Dervis held various positions at the World Bank. He has also published widely on economics and international affairs, his latest publication is titled *A Better Globalization: Legitimacy, Governance and Reform*.