

# Delivering Climate Compatible Development

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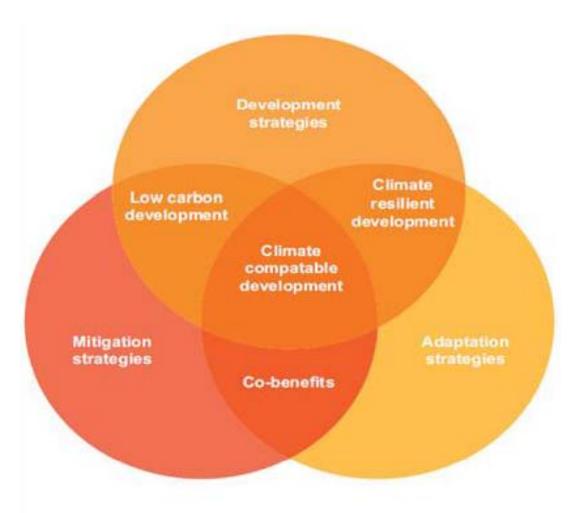


#### What is CDKN?

- Funds (£72m) from British and Dutch governments to support decision-makers in delivering 'climate compatible development'.
- Windows for research, TA, knowledge management, partnerships and negotiations support.
- Managed by 6 organisations in alliance across 4 regions.
- Established and recognised development programme in over 30 countries.



# Climate Compatible Development



# What is Climate Compatible Development?

Development that minimises the harm caused by climate impacts, while maximising the many human development opportunities presented by a low emissions, more resilient, future.

Source: adapted from Zadek, 2009, and informal communication with staff from the UK Department for International Development



The term CCD avoids some of the problematic implications of other descriptions, such as Green Growth and Low Carbon Development, and focuses on a combination of climate resilience, emissions efficient growth, and poverty alleviation, all within a central focus on development.



# The practical implementation of climate compatible development results in trade-offs that balance the need for climate change adaptation, mitigation and a country's development agenda.

Supporting processes that achieve this balance of climate compatible development is the crux of CDKN's work and contributes to the international effort to curb GHG emissions and adapt to rising average global temperatures.

#### **CCD and Low Carbon Societies - 1**

- CDKN's work in developing countries is about development first –
  growth, livelihoods, poverty reduction etc. → human and social
  development, as well as technical development will follow.
- As such, CCD resonates well with the concerns of developing countries (development) - as we have seen from the demand for our services.
- In turn, development decisions, if they are to be effective over the long term, need to include climate related risks and opportunities.

#### **CCD and Low Carbon Societies - 2**

- We see **3 key challenges** in practically implementing CCD:
  - Climate change is a peripheral 'add on' in the minds of economic and finance ministers (pro-growth development mind-set);
  - <u>High levels of uncertainty</u> in assessing climate risks and opportunities are a problem for policy makers.
  - whereas there is a growing awareness of the need for resilience a generalizable case for low carbon has not been well made

These uncertainties weigh poorly against short-term development decision-making, where hard and present realities are the main focus. They weigh in even more poorly over the longer term.

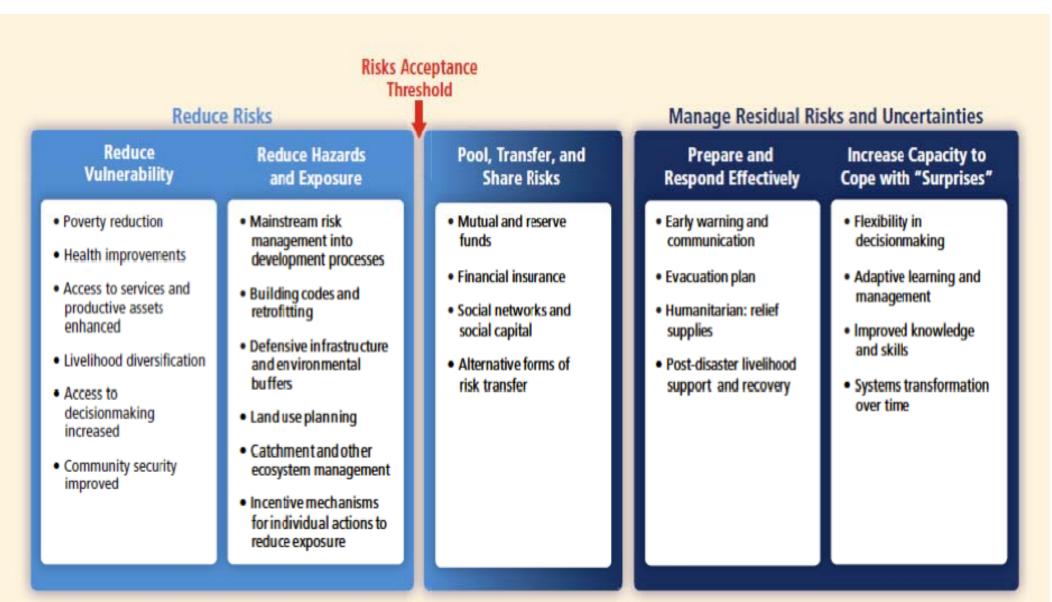


BALANCE cannot be achieved if there are high levels of uncertainty!

Therefore, a key task for CCD (and hence CDKN's work) is to reduce uncertainty for high-level policy-makers.

## Tools to manage climate related risk

(Source:IPCC-SREX)



IPCC Special Report: Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation.

# **Policy options to deliver CCD**

	National	International
Incentive and Regulatory Framework	<ul> <li>Climate Change Act</li> <li>Independent Climate Change Commission</li> <li>Low carbon transmission plan or roadmap</li> <li>National cap and trade</li> <li>Carbon tax</li> <li>Portfolio regulation of energy companies</li> <li>Targeted tax incentives for private sector R&amp;D</li> <li>Regulate emissions from vehicles</li> <li>Regulate other emissions</li> <li>Strengthen forest law to reduce deforestation</li> <li>Strengthen planning laws on housing design and location</li> <li>Decoupling utility profits from gross sales</li> </ul>	<ul> <li>New post-Kyoto international targets</li> <li>International cap and trade</li> <li>International carbon tax</li> <li>International standards for fuel efficiency and emissions</li> <li>Extend emissions targets to aviation and shipping</li> <li>Regulate trade (e.g. in forest products)</li> <li>New international treaties on water sharing</li> </ul>
Public Expenditure	<ul> <li>Increase R&amp;D budget</li> <li>AMCs for renewable technologies</li> <li>Subsidise retro-fitting of buildings</li> <li>Subsidise new technologies (e.g. CCS)</li> <li>Subsidise renewables at domestic level</li> <li>Provide subsidies to offset fuel poverty</li> <li>Extend social protection for vulnerable groups</li> <li>Invest in strengthening critical infrastructure</li> <li>Invest in new infrastructure</li> <li>Subsidise insurance mechanisms</li> <li>Cut traditional fuel subsidies</li> <li>Improved extension and entrepreneurial education</li> <li>Education and consumer benchmarking</li> </ul>	<ul> <li>Fund N-S technology transfer</li> <li>Fund S-S cooperation</li> <li>Extend scope of CDM</li> <li>Regional risk facilities</li> </ul>

### How to structure a response

#### Changes in institutions and institutional capacity

to respond appropriately to CCD needs and demands Changes in the quality of life for people most affected by climate change Changes in the Changes in co-ordination, understanding and collaboration and mobilisation commitment of amongst key CCD stakeholders decision makers around **CCD** issues Changes in the ability of Changes in quality decision makers to relevance and usability leverage and channel of CCD evidence base **CCD** resources strategically

#### **CDKN-Funded Research on Low Carbon**

- CDKN has a broad research portfolio touching on a wide range of issues relating to CCD including the Low Carbon theme. Examples include:
  - ➤ A Green Guide: Aligning political and social contexts for Green and Inclusive Growth, led by International Policy Centre for Inclusive Growth, UNDP, Brazil
  - Pro-poor, low carbon development: Improving low-carbon energy access and development benefits in LDCs, led by University of Sussex, UK
  - Scoping trilateral cooperation on Low Carbon Zones in Africa, led by Chatham House, UK
  - Reliable, cost-effective and equitable carbon offsets: A randomized controlled trial with smallholder farmers in Zambia, led by Innovations for Poverty Action, USA
  - ➤ Enhancing technology innovation and transfer for climate-compatible development: An in-depth study of international mechanisms, national policies and technology value chains for low-carbon technologies, led by Energy Research Centre of the Netherlands

#### Climate Technology+Development project: Climate Strategies Innovation Systems in Developing Countries policy paper [July 2012], ECN et al.

#### Preliminary recommendations include:

- Innovation is not only about new technology 'hardware', it is the **continuum** from incremental technology changes to adoption by markets.
- Innovations emerge from systems of connected **actors** –e.g policy makers, private sector, academia, NGOs-operating within an institutional environment.
- Low carbon innovation needs to encompasses **indigenous knowledge** to develop and deploy low carbon technologies.
- > Low carbon capabilities need to be built in ways that are sensitive to the local context.
- Different countries have different starting points in developing low-carbon energy systems. There **isn't a 'one size fits all**' approach.
- International mechanisms- e.g. technology mechanism of UNFCCC and CTC+N-should be strategically leveraged for low carbon innovation system building in developing countries.
- Building low carbon innovation systems is a resource-intensive, risky, systemic undertaking which requires public and private sector involvement.





#### LEDS Global Partnership: <a href="http://en.openei.org/wiki/LEDSGP">http://en.openei.org/wiki/LEDSGP</a>

#### Mission:

The LEDS Global Partnership is dedicated to advancing low emissions development through ongoing coordination, information exchange and cooperation among programmes that support LEDS and country institutions that are developing LEDS.

#### **LEDS GP Objectives**

- Identify and disseminate best practices and lessons to advance low emissions development [LEDS]
- Foster ongoing information exchange, coordination and collaboration on LEDS.
- Build awareness of and support for LEDS development and implementation globally



#### **Structure**



#### Members

Officials and experts from developing and developed countries and international institutions

#### Secretariat

#### [hosted by National Renewable Energy Laboratory-NREL]

Coordinates and supports activities, conducts communication and outreach

#### Steering Committee [chair: CDKN]

Responsible for defining the vision of the LEDS GP and ensuring its implementation

#### **Work Streams**

Regional Platforms

Sectoral and Subnational Platforms Analysis,
Planning Tools
and Methods

Coordinated Country Support Financing
Approaches
and Assistance

#### **Green Growth Best Practice initiative [GGBP] will:**

- > seek to improve the quality of green growth planning and implementation globally
- > access the most relevant, up to date information on green growth.
- tap in to previous and ongoing experiences.
- integrally involve policy makers, global practitioners, NGOS, academics and private sector stakeholders.
- be part of the Green Growth Knowledge Platform [GGKP] and the LEDS Global Partnership and collaborate with other international programs.

# Outreach and Peer Learning

- Link with communities of practice
- Conduct consultations on issues and project design
- Hold policy dialogues & outreach at other events

Develop learning resources and peer exchange forums

#### **Best Practices Assessment**

- Select topics and authors
- Compile information (including interviews) and conduct assessment
  - Prepare synthesis report
- Conduct ongoing expert review and dialogue

# \*\*GGBP is seeking input & recruiting\*\*

The GGBP invites your input on priority topics for the best practices assessment and on the project design – please complete the survey

The GGBP will shortly be recruiting: for lead and contributing authors for its working groups structured around the following work streams:

- Planning Processes and Stakeholder Support
- Goals, Pathways, and Prioritization
- Implementation, Monitoring, and Evaluation.

For further information on: the survey, becoming an author or on the project, please contact the GGBP Project Director, Ron Benioff, email: <a href="mailto:ron.benioff@nrel.gov">ron.benioff@nrel.gov</a>

#### CCD: what have we learnt?

- Leaders putting CCD at the top of their agenda
- Building resilience and response to disasters is an entry point
- Development benefits of "low emissions" growth key to narrative
- Integrating CCD into existing multi-stakeholder national development and poverty reduction planning processes is critical
- Donor coordination and sharing of learning to address knowledge gaps and build country ownership
- Countries prioritising allocation of finance to fund implementation of CCD strategies
- National CCD action is occurring without global agreement but a global deal and Green Climate Fund will accelerate and scale action

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