

# Partnerships for Climate Finance

19 February 2024



# Climate Emergency and Finance Gap

## Climate Emergency

- Pacific leaders identified climate change as “the single greatest existential threat facing the Blue Pacific.”
- The Pacific is facing a climate emergency that “threatens the livelihoods, security and wellbeing of its people and ecosystems.”
- Emphasize the urgency of limiting the global average temperature rise to 1.5°C “through rapid, deep and sustained” greenhouse gas emission reductions.



## Climate Finance Gap (IMF, 2022)

- Average additional annual spending needs - **\$1 billion** for the region, equivalent to **6.5 – 9 % of GDP**.
- Estimated annual costs for Kiribati, Tuvalu, and Vanuatu - **10 % of GDP** and higher.

# Climate Risk and Adaptation: Key Issues in the Pacific

Climate **crisis** calls for adaptation actions at scale and speed

Serious **gap** remains between current levels of adaptation and needs

Climate **adaptation finance** falls far short of needs and remains project-focused

Limited **programmatic** approach and lack of fit for purpose financial instruments to deliver adaptation outcomes



# Partnerships to foster climate outcomes

1

Partnerships for scaling up and implementing climate adaptation actions and solutions.



2

Coordination to support climate efforts



3

Pacific partnerships in action - examples



- **Ensuring that financing strategies for adaptation are country driven and fit for their purpose**
- **Long-term, transformational adaptation planning and investments**
- **Strengthen and support enabling environment and implementation**
- **Establish new financing mechanisms for unmet needs**
- **Find the right financing vehicles to fit national purpose**

## **1. Partnerships for scaling up and implementing climate adaptation actions and solutions**



- **Build on existing mechanisms and processes**
- **Invest in coordination mechanisms and forums to facilitate peer to peer learning and knowledge exchange**
- **Harmonization partner consultation processes**
- **Strengthen existing partnerships and build new ones**
- **Support a strong Pacific voice in how climate finance is distributed and managed**

## 2. Coordination to support climate efforts



**The Pacific region includes the highest registered number of partnerships, followed by the Caribbean region and the region of Atlantic, Indian Ocean and South China Sea (AIS).**

**Most Pacific partnerships are led by regional organizations**

**Pacific NGOs and civil society has the highest participation (16%) in partnerships in the Pacific region compared to other regions. Not many lead though.**

**Main focus areas of partnerships aligned to oceans (50%), followed by climate change, disaster risk reduction and economic development**

### **3. Pacific Partnerships in Action - examples**



# Example 1: ADB Blue Pacific Finance Hub



OCEAN-CLIMATE ACTION



CIRCULAR ECONOMY



SUSTAINABLE SEAFOOD &  
MARINE PROTECTED AREAS



Scaling-up ocean-climate finance for resilient coastal communities and sustainable blue economies through:

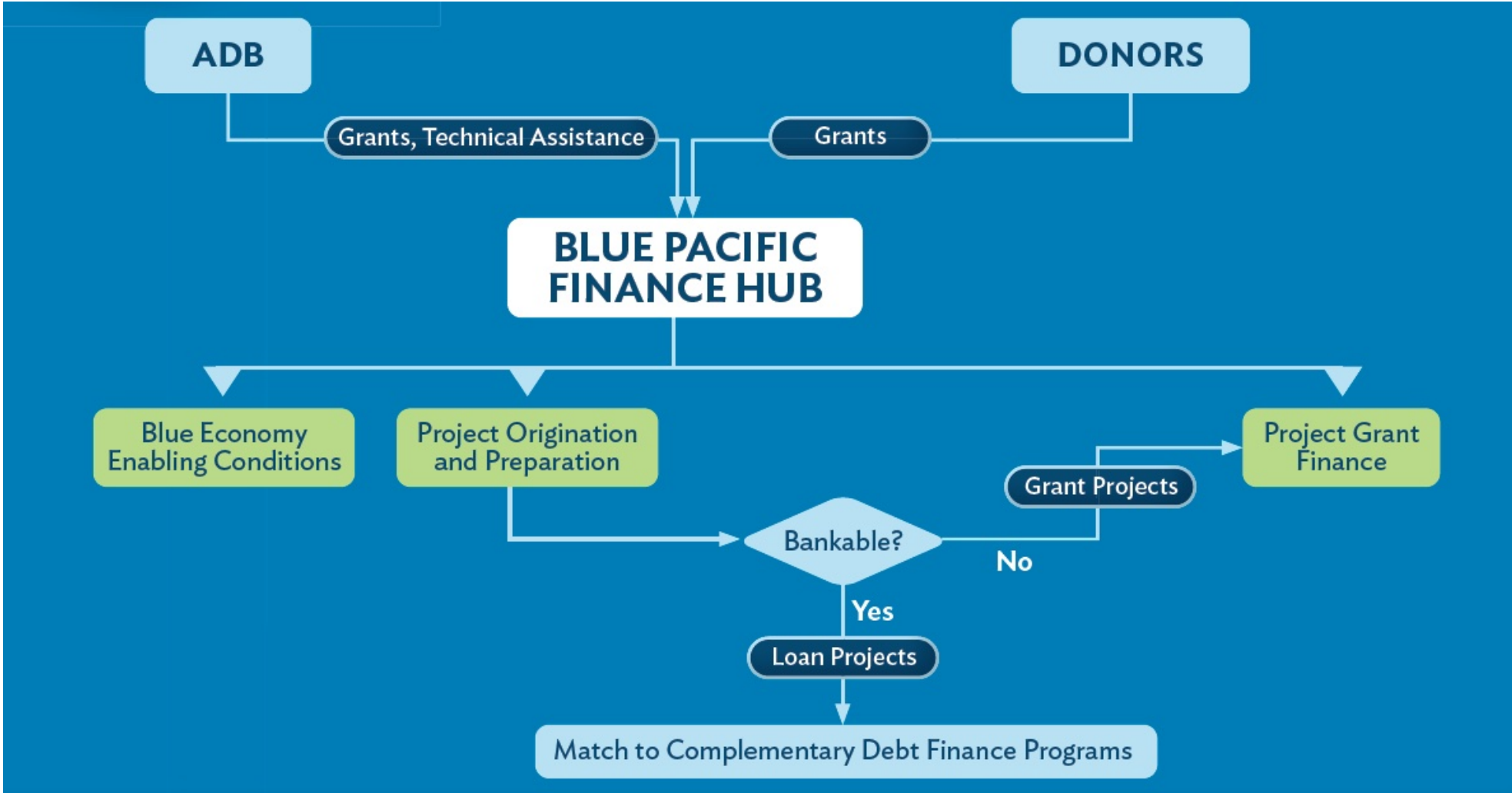
- Regional Collaboration
- Donor Coordination
- Country-Led Programming:
  - » Enabling conditions (policy, planning, financing mechanisms)
  - » Project origination, concept development and preparation
  - » Grants for implementation
- Knowledge & Capacity

Target:  
**\$50 million grants to leverage  
\$500 million investments**

Current Funding:  
**\$19.2million**

(ADB, GEF-LDC Fund, UK SIDS Hub, Nordic Development Fund)





## Example 2: South Tarawa Water Supply Project (Kiribati)

The ADB project will improve the water supply and management of new and rehabilitated climate-resilient water supply assets and improved hygiene practices.

Additional financing was secured to cover additional activities to strengthen the water supply network and strategic asset management systems for climate resilience.

Financing scaled up from \$60 million to \$90 million (comprising ADB: \$33 million, Green Climate Fund: \$29 million, Global Environment Facility: \$4 million, World Bank: \$13 million, **Government: \$11 million**).



# Thank you, Vinaka

## Next

- SIDS perspective
- Innovative partnerships/approaches