

## COP27 promises new climate finance, but underdelivers on ensuring climate resilient community building

Closing Message by Alliance2015

### Our Take on COP27 Outcomes

The 27<sup>th</sup> Conference of the Parties to the UN Framework Convention on Climate Change (COP27) took place in an unprecedented geo-political context marked by political tensions among superpowers, escalating energy and food crises which the Russian aggression to Ukraine exacerbated. These geopolitical dynamics soured the already challenging negotiations in Sharm-el-Sheikh. On the background of skyrocketing fossil fuel prices and a new race for fossil energy, **the climate crisis urges for immediate action.**

The very recent years were marked by new severe climate impacts, like the drought crisis and risk of famine in the Horn of Africa, new records of water scarcity in several European regions, the heavy floods in Pakistan affecting more than 33 million people and those in Nigeria who displaced 1,5 million people, with very alarming rates of food insecurity and hunger in these countries.

Based on our observation of the two negotiation weeks - against our well-established programming and direct witnessing of the realities on the ground - and putting at the center vulnerable communities' urgent need for enhanced climate action and resilience, our take on the COP27 outcome - [Sharm el-Sheikh Implementation Plan](#) - is the following:

- **Finance for Loss and Damage**

A long-awaited and much-sought funding arrangement for low- and middle-income countries irreversibly hit by climate impacts could finally see the light. As of COP26 in Glasgow last year, expectations were high – as a matter of **climate justice** - towards new, additional, predictable and adequate financial support to assist countries with least resources to respond to economic and non-economic loss and damage due to climate impacts. Thanks to the perseverance of INGOs and continued efforts by such country Parties reunited in the G77 Group and the Alliance of Small-Island States, the establishment of a “Financial Facility” finally featured as a COP27 agenda item. Proponent Parties called for such finance to be drawn from innovative sources, underpinned by a human-rights based approach, to be country-driven, owned by local communities and connected with debt cancellation and relief. Despite the alarming evidence of climate impacts worldwide calling for a prompt reaction, the UN negotiations protracted over this item revealing existing divisions.

**Alliance2015 welcomes the final decision, supported by the EU, to establish new funding arrangements**, although limited to developing countries who are *particularly vulnerable* to climate impacts and although further decisions regarding the operationalization of these arrangements will be taken next year, at COP28. Though regretting that a slow response is being given to the climate emergency, Alliance2015 expects to see greater and additional support concretely provided to meet the pressing needs of the most vulnerable communities, and contributions coming also from China, rich oil-producing countries and other increasingly big emitters in the near future. Such funding arrangements should allow for payments after

both extreme and slow-onset disasters, including food crises, and ensure coordination and complementarity with existing funding mechanisms.

Alliance2015 also welcomes the decision to operationalize the Santiago Network - established to catalyze technical assistance to avert, minimize and address loss and damage at local, national and regional levels in particularly vulnerable developing countries - by endowing it with a structure and Terms of Reference. However, this decision leaves undefined the ways funds will be provided for its effective functioning.

- **Long-term and Adaptation Finance**

The promise renewed in 2015, and reiterated in past COPs, to provide 100 billion US dollars annually through 2020-2025 for climate mitigation has still not been fulfilled and is adding to frustration and distrust from the Global South towards industrialized State Parties. The Decision taken on Sharm-el-Sheikh could just note *“with deep regret that the goal of developed country Parties to mobilize jointly USD 100 billion per year (...) has not been met”* and urged *“developed country Parties to fully deliver on the USD 100 billion per year goal urgently and through 2025”*.

For those low- and mid-income countries that are already massively suffering from climate impacts, sufficient financing of adaptation measures is essential for survival. In 2020 a total of USD 83.3 billion was allocated to climate finance. Although this represented an increase from past pledges, only USD 28.6 billion out of that sum went to adaptation, still far from the 50/50 equal share of finance between the adaptation and mitigation scope. At COP26 developed country Parties committed to **double adaptation funding** until 2025 to achieve this balance. **Disappointingly, at COP27 no agreement was reached by developed countries to fulfil their commitment.**

A decision on a **new collective quantified goal on climate finance**, to be determined in 2024, was also taken. It is high time developed and emerging economies make new pledges and provide additional funding beyond what already allocated towards the 0.7% ODA target. In our view, half of this additional funding must be made available for adaptation measures and ensure that adaptation funds reach the most vulnerable groups.

Alliance2015 member organizations call on State Parties to increase the percentage of funding earmarked for ecosystem-based adaptation programs, promote landscape approaches to improve climate resilience, as well as community-driven actions. Systematic mainstreaming of gender, social inclusion and human rights approaches must be ensured, and transformative solutions should be favoured in finance disbursement. Finally, all climate finance programs must be oriented and deployed around the needs of local communities and ensure meaningful participation and access to funding for CSOs.

A framework to establish the global goal on adaptation foreseen in the Paris Agreement will be initiated under the Glasgow–Sharm el-Sheikh work program in 2023, with a view to be adopted at COP28, potentially containing positive considerations such as food and agriculture, poverty and livelihoods, gender-responsiveness, participation and human rights approaches, social justice, vulnerable groups, community-based adaptation and disaster risk reduction. Alliance2015 expects that adequate financial, technical and capacity-building support for low- and mid-income countries will match this goal.

- **Food and nutrition systems**

In the face of the global food and nutrition crisis aggravated by climate impacts, Alliance2015 believes the key to resilience is strengthening local food systems, especially through investment in local governance.

At COP27, for the first time, the climate and Food Systems communities came closer to a dialogue, although this did not translate into an official decision. The Koronivia Joint Work on Agriculture, implemented so far, showed the need for enhanced climate action on agriculture and food security, although solely from a food-production perspective. At COP27 the four-year *Sharm el-Sheikh joint work on implementation of climate action on agriculture and food security* was established; there is no guarantee of a systemic approach in the future, including the other food system pillars in their relations to climate change, with no reference to agroecological solutions and only marginal references to nutrition.

- **Civil Society Engagement and Partnerships**

COP27 also connotated itself by several limitations to civil society's meaningful participation and freedom of peaceful assembly and expression.

Alliance2015 reinstates its call for **participation and inclusion of CSOs at all levels and at all stages of climate policies**, from early phases of elaboration to implementation, monitoring and assessment.

**Our commitment to climate resilience:** our member organizations work in the field in 90 countries, providing humanitarian assistance and supporting local projects coherently with long-term development and climate resilience objectives, adopting context-specific nexus approaches. **Examples** include programs for climate adaptation, sustainable agriculture and livelihoods, early warning, disaster risk reduction, and disaster preparedness.

Based on its Strategic Compass 2021-2025, Alliance2015 is committed to **jointly advocate towards the EU for climate resilient pathways** and pursue advocacy objectives related to supporting locally led adaptation, enabling communities to recover from loss and damage, greater coherence of EU crises response with mitigation, development and humanitarian strategies, as well as to increased EU funding for community-led approaches to climate resilience.

In line with our Strategic Compass, our member organizations Ayuda en Acción, Concern Worldwide, Helvetas, People in Need and Welthungerhilfe participated in COP27 together with their partner organizations, by advocating State Parties, joining collective Civil Society efforts and holding various Side Events.