

# INCREASE INVESTMENT IN CLIMATE CHANGE ADAPTATION

Australia is surrounded by some of the countries most vulnerable to the impacts of climate change. For our neighbours in the Pacific, the effects of shifting weather patterns, rising seas and stronger storms are already stark. These nations have contributed almost nothing to the causes of climate change but face some of the worse consequences.

These nations are showing great leadership and determination in driving solutions but need additional resources to adequately deal with the impacts. The World Bank has estimated that, globally, climate change has the power to push more than 100 million people back into poverty over the next 15 years.

Australia's aid budget must be increased to fund climate change adaptation strategies and climate-compatible development. Supporting our neighbours to build their resilience and grow clean economies aligns with Australia's core foreign policy objectives and our interest in a safe, secure and prosperous region.<sup>1</sup>

## WHAT THE AUSTRALIAN GOVERNMENT SHOULD DO

### INCREASE AUSTRALIA'S CONTRIBUTION TO INTERNATIONAL CLIMATE FINANCE AS PART OF A GROWING AID PROGRAM.

Provide at least AUD \$3.2 billion in international climate finance per year by 2020, in addition to existing aid commitments, with at least half as grants for adaptation. (This is Australia's fair share of the international commitment to mobilise USD \$100 billion a year by 2020.) Deliver these funds in part through the Green Climate Fund and in part through Australia's bilateral programs and other channels.

### CREATE NEW SOURCES OF INTERNATIONAL CLIMATE FINANCE.

Create new and innovative sources of climate finance to supplement contributions from the national budget, such as levies on international transport emissions, revenue from emissions trading schemes and the redirection of fossil fuel subsidies.

### DEVELOP A CLIMATE CHANGE STRATEGY FOR THE AID PROGRAM.

Develop a comprehensive plan that ensures climate risk is factored through all aspects of Australia's aid program. The plan should recognise the role of women and youth in climate solutions and the climate challenges facing the Pacific.

### SUPPORT OUR REGION'S MOST VULNERABLE COMMUNITIES.

Support long-term solutions for those at risk of being displaced by climate change, including provisions to ensure that people can migrate with dignity.<sup>2</sup>

## WHY

Even at current levels of warming, many communities in our region are facing severe challenges from climate change. Extreme weather and shifting seasons are undermining livelihoods, harming economic growth and, at worst, leading to loss of land and life. For the atoll countries, climate change is a threat to their long-term survival.

Despite these escalating challenges, only 16% of international climate finance supports the poorest communities to adapt to the impacts of climate change. Many countries including Germany, the UK, France and Canada have pledged to substantially scale-up their contributions over the coming years, recognising that progress on supporting developing countries was critical to reaching a fair and effective agreement in Paris. Australia's current commitment — at least AUD \$1 billion between now and 2020 — remains well short of a fair contribution towards the shared goal of mobilising USD \$100 billion a year by 2020, and will be sourced from a diminished aid budget.

While the private sector will play a major role in driving low carbon development in developing countries, public finance remains essential to fund climate change adaptation, meet the needs of vulnerable communities and leverage further private investment in renewable energy.

Australian-funded climate adaptation programs have achieved important results and it is vital that funding continues. For example, there is good evidence that investment in climate change adaptation and disaster risk reduction enabled communities in Vanuatu to better prepare for and begin responding to Cyclone Pam. Well-designed climate change adaptation programs can help deliver strong overall development outcomes and support progress on achieving equality between men and women, effective governance, secure jobs and other priorities.

## ABOUT OXFAM

Around the world, one person in three lives in poverty. Oxfam is determined to change that by mobilising the power of people against poverty. Globally, Oxfam works to find practical, innovative ways for people to lift themselves out of poverty and thrive. We save lives and help rebuild livelihoods when crisis strikes. And we campaign so that the voices of poor people influence the local and global decisions that affect them. In all we do, Oxfam works with partner organisations and alongside vulnerable women and men to end the injustices that cause poverty.

Oxfam Australia, a partner of the Australian Government, is an independent, not-for-profit, international development organisation. We have more than 550,000 supporters in Australia who contribute skills, time and financial support to advance our work in Australia and around the world.

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- 1 See the briefing paper *A responsible global citizen for further recommendations on Australia's aid program*.
  - 2 For a detailed background and explanation of these policy proposals, see Oxfam's recent report *Bringing Paris Home – How Australia measures up against the new global climate agreement*, available at [www.climatefrontline.org/report/Oxfam-Australia-Bringing-Paris-Home-Report.pdf](http://www.climatefrontline.org/report/Oxfam-Australia-Bringing-Paris-Home-Report.pdf)