



## 4<sup>th</sup> Newsletter of the SDC Climate Change & Environment Network, July 2011

From May 21-27, 2011 the Climate Change and Environment Network (CCE) held its first face to face (f2f) meeting in Cusco, Peru. The timing was right for a f2f, as the adaptation program in Peru ([PACC](#)) could look back on significant experience and a first version of a climate related network instrument ([Climate and DRR Check](#)) was available. The Check had already been tested in Bolivia, Bangladesh, Nicaragua and Burkina Faso. The Disaster Risk Reduction (DRR) network contributed to the elaboration of the Check and several members of that network also participated in the CCE f2f. The f2f was considered a success and the following objectives were met.

**(1) Cross-regional learning and cooperation was stimulated:** Inputs on trends and exchanges between CCE Network members from both regional and global cooperation of SDC allowed participants to look at options for linking SDC operations with SDC's role in the international negotiations and discuss the experiences made with the Climate and DRR Check, also reflecting on how to promote it further.

**(2) A common understanding and shared ownership of the network established and (3) future working modalities defined.** The different elements of the f2f e.g. technical inputs, network development issues, exchange, etc. contributed to reaching a common understanding of key topics and objectives of the network. Burning issues were identified during open space sessions and translated into **action plans**. Two were prioritised for further immediate action: *Promoting the climate and DRR check and providing thematic guidance and clarity on climate change adaptation*. It's now a task of the network to build performing working groups around them

**(4) Participants gained insight into climate change adaptation and mitigation in the Peruvian context.** [More on the blog of the CCE f2f](#).

**(5) Personal relationships** among network members were established and strengthened: Participants agreed that partner organisations and experts (also from the private sector) should be invited to get involved in the CCE network.

[See the full summary report on the CCE shareweb](#) and browse through the [blog of the event](#) which documents the f2f. All **open space reports** can be found [on this sub page of the blog](#). See [here](#) for more on **next steps**.

## SDC Funded Climate Change Projects & Programmes

### Bangladesh Climate Change Resilience Fund (BCCRF)

The Government of Bangladesh (GoB) was among the first to prepare a comprehensive climate change strategy and action plan (BCCSAP) and pledged USD100 Million of its 2010 budget for adaptation and mitigation measures. In response, the Bangladesh Climate Change Resilience Fund (BCCRF) was established in May 2010 to finance action under the BCCSAP - with the GoB as main implementer, the World Bank as fund administrator and UK, EU, Sweden and Denmark as contributing bilateral Development Partners (DPs), for a total of USD125 million up to 2015.

SDC joined the BCCRF in December 2010. The BCCRF recently became operational and took its first official decisions, launching the first projects financed by this fund. [See the full article on the webpage of the Coof in Bangladesh](#) for more information on why Switzerland is supporting the BCCRF and how it is working.

### Forest Policies from Bhutan and Nepal Shortlisted for Future Policy Award

Once a year, the three most exemplary national policies that create better living conditions and produce tangible results are granted the Future Policy Award. As 2011 is the International Year of the Forest, the 2011 focus theme for the award is *forests for people*. This year's winner will be announced on September 21, 2011 by the World Future Council. Besides Switzerland (for its Federal Act on Forests), Bhutan and Nepal are on the shortlist of nominated country policies for the award. In both countries, SDC provided support for the implementation of the forest policies. More [information about the award can be found on the World Future Council website](#).

The nominated **Community Forestry Policy in Nepal** empowers local communities to manage forests for their livelihoods and aims to improve forest condition. The implementation of the policy was made possible by the community forestry programme supported by SDC (among others). Based on the learning of these projects and with funding from SDC, Finland and the U.K., the forestry programme is being scaled up through the new [Multi-stakeholder Forestry Programme](#). This programme has greater geographic reach and extended themes such as forest sector reform, private sector promotion, pro-poor community forestry and climate change adaptation and mitigation measures. Bharat Kumar Pokharel, Project Director of the Swiss funded forestry project says *"we have achieved quite a lot in the field of community forestry and we feel very proud to be nominated for the award, but more challenges remain ahead both for the success of the forthcoming forestry programme and to safeguard the rights of local communities"*.



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**Bhutan was nominated for including provisions on forests in its constitution**, i.e. adopting provisions that stipulate that a minimum of sixty percent of the country's land should be maintained under forest cover at all times and that ecologically balanced sustainable development be ensured. With these commitments, Bhutan has an impressive and internationally well-recognised track record in environmental conservation. The current challenge for the country lies in moving from nature conservation

towards sustainable management of its natural resources. Bhutan and Switzerland have collaborated in forestry and the development of forest policies since the mid 1970s. For more than 15 years, SDC has been supporting the development of Community Forestry (CF) together with Helvetas (more on the ongoing [Participatory Forest Management Project](#) on the Helvetas Bhutan website). Today, CF is an important component of Bhutan's forest policy. It is promoted as a means to improve rural livelihoods, ensure sustainable forest management by devolving management responsibility for natural resources to local communities, and to promote local democratisation. The locally developing decision making capacities for natural resources management are also relevant for climate change adaptation. [More on the SDC website.](#)



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### First International Glacier Monitoring Expedition in Western China

The first phase of the Sino-Swiss project for monitoring and early warning of Glacial Lake Outburst Floods (GLOFs) in the Yarkant River region began in spring 2011 with the first international expedition to ever reach the Western Chinese mountainous area of the Kaygar Glacier. Initial targets of the 3.7 million Swiss Franc project (1.85 million funded by SDC) are the implementation of an early warning system to prevent flood disasters and to begin a long-term monitoring system to better understand the phenomenon. [More on the CCE Shareweb.](#)

### Technology Transfer from Asia to South Africa

South Africa's first vertical shaft brick kiln is being constructed in the Eastern Cape and is expected to be completed in August 2011. The open source technology kiln which originated in Asia, offers the possibility to reduce coal consumption by up to 50%. Due to the improve energy efficiency of the brick firing process carbon dioxide emissions can also be reduced by up to 50%. This technology offers safer and healthier working conditions. SDC funds and know how contributed to the technology transfer and realisation of the project. Also, SDC is supporting the registration of the project as a Clean Development Mechanism. [More in Engineering News.](#)

### Brunei Darussalam Hosted the Second ASEAN Social Forestry Network (ASFN) Conference in June 2011

The Forestry Department of the Ministry of Industry & Primary Resources of Brunei Darussalam, in collaboration with the ASFN Secretariat supported by the SDC, hosted the 2nd ASFN Conference from 21-23 June 2011. ASFN was formally endorsed for establishment during the 8th Meeting of the ASEAN Senior Officials on Forestry (ASOF) in August 2005 in Cambodia. As the first inter-governmental social forestry network in Southeast Asia, ASFN envisions the strengthening of initiatives and cooperation activities in achieving sustainable forest management while improving the welfare of the community. The 2nd Conference focused on the role of social forestry in REDD+ and Forest Conservation. [More on the ASFN website.](#)

### Agroforestry Improvement Partnership (AFIP) in Bangladesh

The main objective of the AFIP is to contribute to improved income and employment opportunities of the rural poor, focusing on farmers and nursery owners. More specifically, the Agroforestry Partnership between SDC and Bangladesh supports poor farmers in increasing their income through improved fruit and timber trees. This project has been running since 1986 and will be handed over to local authorities in 2012. Overall, it has contributed to the creation of tens of thousands of jobs in private nurseries as well as the diversification of income of about two million rural farmers. It is mentioned here as an example of a successful public-private partnership which may inspire other similar projects. [More on the SDC website.](#)



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### Memorandum of Understanding (MoU) signed between Chinese Ministry of Commerce and SDC

On June 27, the Swiss Ambassador Godet and Deputy Minister, Mr. Yu Jianhua signed the MoU on development cooperation that is now the framework for all SDC programmes in China. It covers bilateral cooperation, cooperation on global issues as well as humanitarian aid. Both sides welcomed the further strengthening of relations and coordination foreseen under this MoU. New areas of cooperation such as trilateral initiatives with other countries, replication of successful experiences made in China in poorer countries as well as the possible financial dialogue between Switzerland and China were discussed.

## Policy Processes

### How Developed Countries Can Best Help Developing Countries Finance Climate-Friendly Energy Investments?

The **Global Climate Network** (GCN) analysed the costs of introducing clean energy capacity in selected developing countries (China, India, South Africa and Nigeria) and solicited views of policymakers, firms, banks and finance professionals regarding barriers to financing clean energy. In its report, the GCN presents five instruments to leverage private finance in response to these barriers, e.g. loan guarantees, policy insurance, etc. It concludes that in **investing in public-private partnerships** is critical, keeping in mind that: 1) developed country public funds should be used strategically; 2) a stable long-term policy should be in place in developing countries; and 3) incremental costs must be addressed. [Download the report from the GCN website.](#)

The other side of the coin is the progress of developed countries in clean energy. The [2010 edition of the PEW Trust Who's Winning the Clean Energy Race](#) gives an overview of the main actors in the clean energy landscape and presents key financial, investment and technological trends related to clean energy of the world's leading economies, (i.e. G20). The report includes country profiles based on data from the Bloomberg New Energy Finance. In sum, **Europe as a region has moved up to a leadership position** in receiving clean energy finance over the past few years. There is a constant growth in Germany and Italy in small scale solar installations and both rank among the top ten countries in attracting private clean energy investment. With an increase of 33 percent in clean energy investment in 2010, the Asian region led by China is catching up with Europe.



## Update on the Global Carbon Market and the Challenges of the Cap and Trade System

According to a [World Bank Press release](#), the global carbon market is at its lowest level since the Kyoto Protocol entered into force in 2005. **An introduction to the cap and trade system, mainly to its weaknesses is given in this video (from 2009), the related script and FAQ** produced by "The Story of Stuff Project" & "Free Range Studios", in partnership with "Climate Justice Now!" and the "Durban Group for Climate Justice" - two leading international networks of climate justice advocates, who plead for solid caps, strong laws, citizen action and carbon fees.



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## National Adaptation Programmes of Action (NAPAs): UNDP's Contribution to Climate Change Adaptation

For over six years, the UNDP has been supporting Least Developed Countries (LDCs) in dealing with multiple funds for implementing climate change adaptation projects in key economic sectors. For example, through assisting LDCs in designing NAPAs. With Nepal and Timor Leste's recent NAPA submissions to UNFCCC, UNDP has completed this support chapter. Countries can now concentrate fully on implementing their NAPAs. [More in the UNDP's Climate Change Adaptation Quarterly Update of Activities Issue No. 5](#)

## Addressing Agriculture in Climate Change Negotiations: A Scoping Report

The agriculture sector is highly relevant to climate change discussions, as the impact of climate change on agriculture has repercussions on food production, livelihoods, and even on entire economies of countries. Agriculture contributes to 20 per cent of developing countries' GDP and up to 65 per cent of developing countries' employment. **Besides being very vulnerable to climate change, the agriculture sector also holds mitigation potential**, e.g. through the reduction of greenhouse gas emissions achieved through greater efficiency in the production aspects. The objective of the report linked below is to contribute to policy discussions on agriculture and climate change in the context of the UN Framework Convention on Climate Change (UNFCCC).

Some main conclusions of the report are as follows. First, that a carbon-neutral agricultural sector may be difficult to achieve and not make much sense given the growing global food need. In this context, **concentrating on meeting food security in an equitable manner** through climate resilient production and distribution systems may be a more appropriate objective (while trying to keep emissions low). Second, as climate change will affect comparative advantages in agriculture and quite likely increase food prices in the long term, first steps should be taken to influence the **multilateral trading system** and ensure that trade policies contribute to making food accessible and available despite climate-induced production shifts. Third, the **UNFCCC should provide developing countries with guidance and incentives** to increase adaptation efforts and emission reductions in the agricultural sector, i.e. through capacity building, financial support, technology transfers, etc. [More in the full report.](#)



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## Overview of International Climate Funds

International climate funds play an increasingly important role in climate negotiations and ultimately in reaching agreed targets in a fair manner. According to *W&E Hintergrund*, an effective global climate regime should achieve the **limitation of global warming to 1.5-2°C**, ensure that the emissions reductions to achieve this are **distributed equitably** among states and **foresee support for developing countries** to adapt to climate change and cope with its consequences. In Cancun industrialised countries committed to mobilising new, additional private and public funds, i.e. a total of USD 100 billion, until 2020 to support developing countries in climate change adaptation and mitigation efforts. However, many questions remain concerning the balance between public and private funding and the *additionality* of these funds, e.g. many industrialised countries count already committed funds to reach the goal of devoting 0.7 per cent of their GDP to development cooperation as climate funds. In this context, innovative financial instruments, e.g. Clean Development Mechanism (CDM) or carbon taxes, are crucial as they increase the likelihood that the funds are additional, predictable and available on time ([order a free W&E copy of the German article](#)).

The creation of the **Green Climate Fund (GCF)** in Cancun seems to be a step in the right direction in institutional terms of climate funding. At least half of the committed USD 100 billion will be administered by this fund. This will increase ownership and allow receiving countries to invest climate money in a more independent and coherent way than currently where many funds are bilateral. The GCF should be operational by the end of 2011. A fund with a similar approach that recently became operational is the **Adaptation Fund** established under the Kyoto Protocol. It approved first projects proposals earlier this year. SDC through the GPCC represents Switzerland in the fund's board. ([More](#))

The increasing number of international finance initiatives aimed at supporting developing countries in addressing climate change challenges, is accompanied by a growing number of **websites providing information on these initiatives and tracking progress**. Examples are the [Climate Funds Update website](#) and the [Adaptation Fund Project Tracker](#) (run by Germanwatch). The Tracker provides an overview of all projects, including projects already considered by the Adaptation Fund Board. Germanwatch also publishes an Adaptation Fund NGO [Newsletter](#).

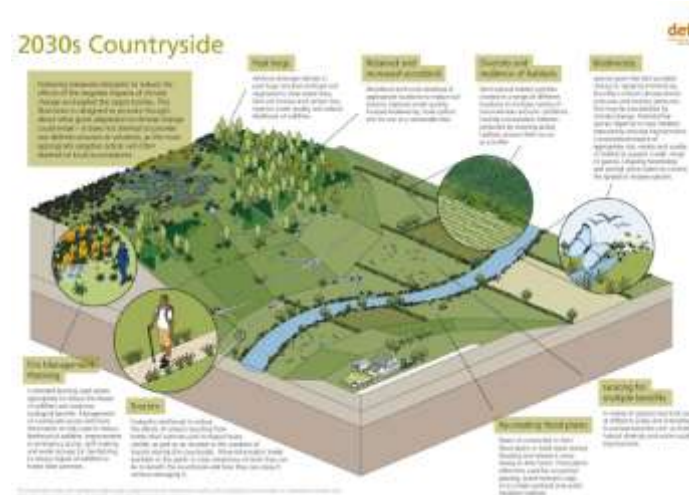
# Climate Science & Dealing with New Realities

## Measuring Energy Poverty: Focusing on What Matters

Having access to energy services is a critical contributing factor to adequate living conditions and sustainable development. Despite this recognition, if efforts to address energy poverty are not increased, estimates indicate that more people will be without modern energy access in 2030 than at this very moment. An important aspect in increasing global commitment for reducing energy poverty is the ability to measure progress. While existing instruments to measure energy poverty focus on access to energy and the degree of development related to energy, the authors of this paper present a new way of measuring energy poverty: the Multidimensional Energy Poverty Index (MEPI). In sum, the MEPI captures energy deprivation that may affect a person, i.e. for cooking, lighting, services through household appliances (fridge, washing machine), education and communication. [See the report on the Oxford University website.](#)

## How to Prepare for a Changing Climate?

The climate of our earth is changing and we must alter our behaviour, (i.e. adapt). Besides trying to protect ourselves from the predicted negative impacts, adaptation also implies learning to take advantage of potential benefits of climate change. Based on its understanding of what the climate will be like in 2030, UK's Department for Environment, Food and Rural Affairs (Defra) has designed possible ways to adapt our housing and landscape to climate change in rural and urban environments. This view of western landscapes visualising context specific climate change adaptation might inspire similar reflections (and exercise) for developing countries. More on Defra's [adaptation website](#). [Click here](#) for a larger view of the image below.



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## Technologies from the Water Sector for Climate Change Adaptation

Projections of climate change on water resources and supply predict an adverse impact. However, as the magnitude of this impact on the water sector is uncertain, specialists recommend the implementation of strategies that generate benefits (social and economic) irrespective of whether the predicted climate change occurs - so called "no regrets" strategies. Desalination, household water treatment & safe storage (HWTS), and rainwater collection are **three of the eleven adaptation technologies/practices that are recommended** in a guidebook for a broad range of stakeholders engaged in climate change activities in developing countries. See the [full report on the TNA website](#) for more information on all technologies/practices and recommendations on how to apply them in a coherent approach.

## Events

In March 2011, the **International Centre for Integrated Mountain Development (ICIMOD)** organised an open house event attracting more than 2'500 visitors in Kathmandu, Nepal. ICIMOD is a regional - Afghanistan, Bangladesh, Bhutan, China, India, Myanmar, Nepal and Pakistan - **knowledge and learning centre with the objective of assisting mountain people in adapting to climate change.** [More on the ICIMOD website.](#)

## Key Resources

Below is a list of resources worth looking at regularly or subscribing to:

- [DFID Multilateral Aid Review](#), Ensuring maximum value for money for UK aid through multilateral organisations, March 2011
- [Climatig](#) for the latest climate information in the form of online news feeds and climate library.
- [NCCR North-South website](#), especially the global policy briefs and newsletters

Special thanks go to the contributors of articles and/or information to this edition of the newsletter:

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- **Kaspar Schmidt** and **Bharat Pokharel** on the Future Policy Award
- **Walter Meyer** on SDC activities in China
- **Jacqueline Schmid** on AFIP in Bangladesh

Please send your climate change related news for the **October 2011 Newsletter** to:

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This newsletter in English is directed at an audience that is interested in receiving the latest news on activities related to climate change and development cooperation carried out by Swiss actors, key international actors and the most extraordinary innovators. It is one of the instruments of the **Global Programme Climate Change and the Climate Change and Environment Network** of the Swiss Agency for Development Cooperation to facilitate the access to information in the area of climate change & development as well as encourage dialogue, mutual understanding and trust between all political, administrative and technical actors involved in this crucial crosscutting issue.

The newsletter caters to both the needs of quick readers who are interested in getting the latest news in a minute and those who want to get more in depth information. The latter group can do so by clicking on the links that take them straight to the relevant background documentation. Do not hesitate to ask the [Global Programme on Climate Change](#) (GPCC) for articles you do not have access to or to **subscribe to the distribution list**.

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