

Arab Regional Parliamentary Forum

30th November

Scaling up climate financing in the Arab region and the role of Parliaments

Thank you for this opportunity. My expertise is in international climate change policy and I will focus my intervention today on the international finance architecture stemming from the UN Framework Convention on Climate Change. But before that, some general remarks.

A. Vulnerability of the Arab region to climate change

1. Climate change is amongst the greatest challenges the Arab States face, whether it is through droughts or increasing temperatures, and reports suggest that temperatures in the region have been rising faster than the world average.
2. The people in the region are vulnerable to the impacts of climate change and increasing food and water insecurity, which is expected to worsen.
3. Faced with high vulnerability, it is important for the region to play a strong role in global policymaking on climate change, under the UN Framework Convention on Climate Change.

B. Arab Group's Engagement at the UN Framework Convention on Climate Change

1. The Arab Group, comprising 22 States, is an active player in the UNFCCC negotiations and is part of the developing country group under the G77 and China. The Arab Group works closely and its positions are aligned with other groups such as the Like-Minded Developing Countries (LMDC) and the African Group of Negotiators (AGN).
2. The Arab Group represents a strong developing country voice in the negotiations and has representation in technical committees such as the UNFCCC's Standing Committee on Finance as well as on the Board of the Green Climate Fund, which is an operating entity of the Financial Mechanism of the Convention.
3. Key asks of the Arab Group in the UNFCCC include:
 - a. Climate action must be based on the principles of equity and common but differentiated responsibilities, which are enshrined in the Convention and the Paris Agreement.
 - b. Developed countries are historically responsible for causing the climate crisis and must therefore take the leadership in climate action—reducing emissions and helping developing countries adapt to the impacts of climate change.
 - c. Developed countries must provide finance, technology and capacity building support to developing countries for their climate action.
 - d. Climate change adaptation assumes high priority for the Arab Group.
 - e. Developing countries must not be adversely impacted and/or adequately compensated by the implementation of response measures. (Response measures are UNFCCC and

Paris Agreement Parties' actions to combat climate change at global, national and regional levels, such as for the protection and stabilization of the climate, emissions leakages and/or the costs of environmental compliance. Such measures may have unintended and adverse economic and social consequences for developing countries' economies if they constitute a means of transferring the burden of climate change mitigation to developing countries or otherwise distort national and social conditions and undermine their economic and social development and poverty eradication efforts.

C. Climate finance architecture under the UN Framework Convention on Climate Change

1. **Standing Committee on Finance:** Established at COP 16, its functions include improving coherence and coordination in climate finance delivery; rationalization of the Financial Mechanism; mobilization of financial resources; measuring, reporting and verification of support to developing countries.
2. **Green Climate Fund and Global Environment Facility:** Operating entities of the Financial Mechanism of the Convention
3. **Adaptation Fund:** Emerged out of Kyoto Protocol. Now also serves the Paris Agreement. Relies on carbon credits, but mostly voluntary contributions. Direct access a key feature of the Fund.
4. **Least Developed Countries Fund (LDCF):** Voluntary contribution by developed countries; Fund created to help LDCs formulate National Adaptation Plans of Action and now National Adaptation Plans
5. **Special Climate Change Fund (SCCF):** to support adaptation and technology transfer projects; covers the incremental costs of interventions to address climate change
6. **Capacity-building Initiative for Transparency (CBIT):** The goal of CBIT is to strengthen the institutional and technical capacities of developing countries to meet the enhanced transparency requirements of the Paris Agreement, as defined in Article 13.
7. **Loss and Damage Fund:** Fund established at the recently concluded COP 27 in Sharm el Sheikh.

D. Green Climate Fund: Opportunities

1. Under the GCF, **ALL** developing countries are eligible to receive financing for mitigation and adaptation.
2. Under mitigation, GCF funds in areas of forests and land use; buildings, cities, industries and appliances; energy generation and access; and transport.
3. Under adaptation, GCF funds in areas of ecosystems and ecosystem services; health, water and food security; infrastructure and built environment; and livelihoods of people and communities

4. GCF funds projects, as well as provides readiness support to developing countries to help prepare projects.
5. GCF has funded mitigation and adaptation projects in countries such as Bahrain, Egypt, Morocco, Jordan, Tunisia, among several other developing countries all over the world.
6. [Egypt](#) has 4 projects approved; with readiness support approved for the amount of USD 3.3 million; [Syria](#) has USD 837,000 approved for readiness activities; [Bahrain](#) has 1 project approved; [Morocco](#) has 11 projects approved, with USD 4.7 million approved for readiness activities; [Jordan](#) has 7 projects approved, as part of multiple-country programme, with USD 3.1 million approved for readiness support; [Tunisia](#) has 8 projects approved as part of multiple-country programme, with USD 4.5 million approved as readiness support; [Yemen](#) has USD 1.7 million approved for readiness support and so on and so forth. (Country profiles can be accessed [here](#).)
7. GCF funds projects in developing countries via accredited entities. The accredited entities can be national or international. It is important for developing countries to encourage their national entities to apply for accreditation to the GCF.
8. To apply for GCF projects, engagement with local communities and stakeholder participation is crucial. Projects have to adhere to GCF's environmental and social standards that include a gender policy and Indigenous Peoples Policy. GCF Project activity cycle can be found [here](#).

E. Some recommendations for further engagement

1. It is to be noted that **ALL** developing countries are eligible for funding under the UNFCCC, even though there are attempts by developed countries to create separate eligibility criteria for "the most vulnerable". The fact remains that all developing countries are highly vulnerable to the increasing impacts of climate change. So, if someone says that Arab countries are not eligible for climate finance support, that is **not** true.
2. It is important to participate in the international climate change policymaking processes and make your voices heard. Most of the meetings such as the Standing Committee on Finance as well as the Green Climate Fund's meetings are webcast and can be followed online. The GCF Board meets thrice a year. For those who are new, following the meetings online will give a sense as to how these institutions work and how to tap into these institutions to secure your region's interests. Besides such meetings, the UNFCCC organized the first ever Middle East and North Africa climate week in 2022. Important to actively showcase as well as secure your region's interests in such events.
3. The Loss and Damage fund was set up in COP 27. A transitional committee has been established which will have its first meeting before March 2023. It is crucial to be part of such meetings, where it is expected that there will be key political fight over who will pay for loss and damage and who will receive such funding.
4. It would be important to continue to organize regional meetings with experts to advise on climate change governance as well as climate finance topics.

5. It is very important to work with a range of actors within the country, including civil society actors, to shape project proposals, for instance. Experts can be part of government committees as advisers.

6. Finally, COP 28 is being hosted by the UAE, and there will be plenty opportunities to raise the profile of the region's vulnerability, how the people are being impacted by climate impacts, the need for climate finance for the region, as well as the region's initiatives to showcase plans and initiatives for climate action to the world. It would be good to begin planning how to do this in the most effective manner.

Thank you.