



UPDATE ON RECENT ACTIVITIES (MAY 2021 – FEBRUARY 2022)

Since the third meeting of the Task Force on Climate Change Adaptation (TFCCA) in May 2021, the OECD has continued to roll out a number of activities related to climate change adaptation, as part of the OECD Environmental Policy Committee's Programme of Work and Budget (PWB) 2021-22.

ONGOING PROJECTS ON CLIMATE CHANGE ADAPTATION

Adapting to a changing climate in the management of wildfires

As part of the 2021-2022 programme of work priority on "Adapting wildfire management to climate change" several activities have been undertaken. Two papers are being developed that provide a comprehensive review of state-of-the-art knowledge on wildfire trends, drivers, costs and expected future impacts. Discussions for developing 5-7 case studies are ongoing with member countries. Two international workshops are planned to be held in 2022, to bring together and exchange on current policy developments as well as to discuss the emerging policy guidance resulting from the research and the case study work. The results of the work will be brought together in a flagship report, to be finalised in Q1 2023 and presented at an international conference on wildfires hosted by Portugal in May 2023.

Measuring progress in implementing national adaptation policies

As part of the work stream on measuring progress in implementing national adaptation policies, which is another key priority of work of the 2021-2022 programme of work, the Secretariat has carried out an in-depth case study on *Measuring progress in implementing adaptation policies in the United Kingdom*. The case study report will be consulted with delegates of the TFCCA and is planned to be published in Spring 2022. Another case study in the Slovak Republic is under development. Discussions for additional country case studies are ongoing. Meanwhile an issues paper analysing the key policy issues and practical challenges to measure progress on adaptation is being developed. The paper will be informed by a cross-country questionnaire will be carried in the course of 2022. A flagship report will bring together results from this first phase of the work and is planned to be launched at COP27.

Two events have been organised as input to the project to explore different perspectives and approaches to measuring progress on adaptation:

- Measuring progress in implementing national adaptation policies (September 2021)
- Tracking a moving target: How to measure progress and policy effectiveness in adapting to climate change (November 2021)

Climate resilience through finance and investment

A new area of work was started in 2021-2022 on adaptation-aligned finance, which supports the definition, mobilisation and tracking of resources that are helping to strengthen resilience. This is intended to complement existing work on tracking finance for adaptation with new work to examine the impact of wider finance flows on resilience to the impacts of climate change. The draft Framing Paper on Climate-resilient Finance and was shared with the Task Force in December 2021 [ENV/EPOC/WPCID(2021)21]. It builds on the comments received on the scoping note [ENV/EPOC/WPCID(2021)8], which was presented to TFCCA on 10 May 2021 and WPCID on 27 May 2021. Initial results from this work were presented at COP26 in Glasgow at an event co-hosted with the European Investment Bank and the UK Centre for Greening Finance and Investment. Work in 2022 will include case studies to analyse trends in alignment within key sectors, e.g. infrastructure.





The promotion of quality infrastructure for sustainable development in Central and South East Asia

The OECD Secretariat launched the Sustainable Infrastructure Programme in Asia (SIPA), under the International Climate Initiative (IKI) in autumn 2021. As part of a wider project led by the OECD Environment Directorate, the adaptation component will involve a contribution on enhancing the resilience of infrastructure development to the impacts of climate change in Mongolia, Indonesia and the Philippines. The project will be carried out in close collaboration with UNDP, WWF, IISD and IDDRI. First country consultations with the Philippines are under way. A first country report is planned to be published by the end of 2022.

Horizontal Project: Building climate and economic resilience in the transition to a low-carbon economy

Drawing on expertise from across the OECD, this horizontal project aims reframe the climate challenge for the pandemic-affected world and will ultimately deliver a practical policy toolkit for an integrated approach to strengthening climate and economic resilience. While resilience is a complex concept, it broadly comprises the ability of systems to variously resist, absorb, recover from and adapt to shocks. In the case of climate change, reducing the severity of the shocks in the first place – by rapidly decreasing greenhouse gas emissions – is a clear prerequisite for improving overall systemic resilience. The project will therefore cover both ensuring a resilient transition to net-zero emissions – including a focus on ensuring fiscal sustainability and macroeconomic stability – and adapting and building resilience to the impacts of climate change. Recognising the ever increasing urgency of climate change, the project also examines the risks of triggering climate tipping points and how these risks can be better integrated in policy planning. An additional component of the project is the International Programme for Action on Climate (IPAC), a major initiative to track climate action and encourage greater climate ambition.

International Programme for Action on Climate (IPAC)

The OECD Secretariat announced the creation of the International Programme for Action on Climate (IPAC) in April 2021. The objective of IPAC is to offer participating countries a new steering instrument, complementary to and consistent with the UNFCCC and the Paris Agreement, to pursue progress towards the transition to net-zero greenhouse gas emissions goal and a more resilient economy by mid-century, thanks to a precise evaluation of their action and the sharing of good practices. IPAC would leverage the OECD's proven working methods to develop evidence-based analysis and sharing of good practices and results, building on existing data and indicators, policy tools, advice and guidance developed by the OECD family, including the International Energy Agency (IEA), the International Transport Forum (ITF) and the Nuclear Energy Agency (NEA).

Promoting Nature-Based Solutions in municipalities in Hungary

The OECD Secretariat is working closely with the government of Hungary to unlock the potential for Nature-based Solutions (NbS) in the country, through a project financed by the European Commission under the Technical Support Instruments (TSI) programme. This work focusses on scaling up the use of NbS for municipalities and the private sector to address environmental pressures. The project is designed to expedite the use of NbS by increasing awareness among municipalities, private actors and other relevant stakeholders; identifying (institutional, regulatory, policy or financial) bottlenecks to their further deployment; and offering options to overcome such bottlenecks. The long-term benefit is projected to be a strengthened enabling environment for NbS and more widespread deployment of NbS in municipalities and by the private sector compared to current levels. Preliminary results will be shared at an international workshop on the 12 April 2022.





A territorial approach to climate action and resilience (TACAR)

In collaboration with the OECD's Cities, Urban Policies and Sustainable Development Division, the Environment, Transitions and Resilience Division is proposing a new OECD programme "A territorial approach to climate action and resilience", which aims to support cities, regions and countries in their efforts to drive the zero-carbon transition and build systemic resilience across levels of government, including in light of the recovery from the COVID-19 crisis. It seeks to demonstrate the significant mitigation and adaptation potential of regional and local climate action by strengthening reporting and monitoring frameworks. It will assess national policy and governance arrangements to support the locally tailored implementation of the Paris Agreement as well as the Sendai Framework. It will also assess the contribution of subnational policies and initiatives to effectively achieve the zero carbon transition and enhanced climate change adaptation action, including through subnational climate financing. The first deliverable as part of this project will be the development of a framework that guides the territorial aspects of climate change adaptation.

For more information: https://www.oecd.org/cfe/cities/tacar.htm

Green Infrastructure Development in Italy

In autumn 2021, the OECD Secretariat started engaging in a project on "Green Infrastructure Development in Italy", financed by the European Commission Technical Support Instruments (TSI). This project is led by the OECD's Public Governance Directorate's Infrastructure and Public Private Partnerships Division and will see contributions from the International Transport Forum as well as the Environment Directorate's climate change adaptation team. Working closely with the Italian Ministry of Sustainable Infrastructure and Mobility (MIMS), the project aims at supporting Italy in their efforts to strengthen institutional and administrative capacity, including at regional and local levels, to design, develop and implement reforms. The adaptation component focusses on the potential for mainstreaming nature-based Solutions (NbS) as part of Italy's infrastructure investments, planning and maintenance, with a view to building resilience against the impacts of climate change. The project will last for 18 months and will include city and asset-level case studies in the building, energy and urban development sectors, as well capacity building and training with ministry officials.

Losses and damages from climate change

In its "Managing Climate Risks, Facing up to Losses and Damages" report, the OECD examined approaches to reduce and manage the risks of losses and damages with a particular focus on the roles of policy, finance and technology, in light of physical and socio-economic uncertainties. The report explores, in particular, the role of finance in reducing and managing the financial impacts of climate-related extreme events with a focus on the role of finance – public or private, domestic or international – in reducing, retaining and transferring risks.

Building on that work, the Environment's Directorate, in collaboration with Directorate for Financial Affairs and the Public Governance Directorate, is currently developing further analysis focused on a global climate and disaster risk financing architecture that can more effectively respond to the increasing and changing needs for support by developing countries in the context of a changing climate. In addition, the Losses and Damages team is preparing a piece on climate tipping points to help policymakers understand the economic costs and policy risks related to climate-system tipping points, their potential effects on economic and social systems, and how these longer-term effects can influence near-term policy planning for both mitigation and adaptation.

KEY MEETINGS

Thematic meeting on Measuring progress in implementing national adaptation policies (28 September 2021)

The OECD Secretariat, with the UK Climate Change Committee (CCC), convened a meeting to provide an opportunity for experts from governments and other organisations to share their experiences and discuss the progress and challenges faced while developing frameworks and instruments for adaptation measurement.





The meeting informed ongoing OECD work on the topic, notably a country case study on the United Kingdom developed with the support of the UK Department of Food and Rural Affairs. The meeting gathered 115 participants, including representatives from 26 OECD member countries and 2 key partner countries, as well as from 17 organisations working on climate change adaptation. During the meeting, representatives from Chile, Germany and the United Kingdom, as well as experts from the United Nations Convention on Climate Change, the United Nations Statistics Division and the World Bank provided additional insights on the challenges and opportunities of developing measurement and indicators frameworks to assess progress on climate change adaptation.

Participants noted that as more countries have national policies in place and start revising them, there is increasing demand for guidance on how to measure adaptation and in particular track progress in the implementation of national policies and strategies. One of the primary challenges raised was that the use of indicators, which can help indicate a trend but not the reason behind the trend, is hindered by the lack of data available and agreed methodology. It was emphasised that more work is needed to get additional traction on adaptation measurement, notably by setting a clear vision for adaptation and engaging with stakeholders to strengthen their buy-in.

The meeting agenda and presentations are available on the TFCCA Community website: https://community.oecd.org/docs/DOC-200475

Third meeting of the TFCCA (10 May 2021)

The OECD convened the third meeting of the OECD TFCCA. The event gathered approximately 100 participants from 32 countries and 20 organisations, including the UNFCCC, the World Bank, GIZ, the European Environment Agency, the European Bank for Reconstruction and Development, the Global Center on Adaptation and various research institutes including IDDRI and the London School of Economics.

This meeting of the TFCCA included an exchange on recent developments related to adaptation among TFCCA members. It included a horizon scanning session, an update on the Secretariat's ongoing project on losses and damages from climate change and facilitated a discussion on the scoping of new adaptation areas of work part of the 2021-22 Programme of Work and Budget (PWB). Countries expressed their interest and support for the OECD's emerging areas of work, which include Measuring progress in implementing national adaptation policies, Adapting to a changing climate in the management of extreme wildfires and Finance and investment for climate resilience.

The event demonstrated that countries continue to strengthen their national adaptation policies, while focusing on implementation. Several countries also emphasised that the health impacts of climate change are emerging as one of their primary policy priorities.

The meeting agenda, presentations and summary record are available on the TFCCA Community website: https://community.oecd.org/docs/DOC-193010

KEY OUTREACH ACTIVITIES

Philippines' International Disaster Resilience Forum (IDRF)

On 29 July 2021, Mikaela Rambali discussed the benefits for nature-based solutions in building climate resilience at the Philippines' International Disaster Resilience Forum (IDRF). The event served as a served as a venue for sharing best practices in the strengthening of disaster resilience; understanding the importance of governance, citizen-participation and global partnerships towards disaster resilience; and reinforcing cooperation between stakeholders. More information on the event is available here: https://ndrrmc.gov.ph/index.php/23-frontpage/4166-ocd-to-hold-1st-int-l-disaster-resilience-forum.html.

OECD COP26 Virtual Pavilion

Ahead of the meetings that took place 25 October to 12 November, the OECD Virtual Pavilion was launched to emphasise the OECD's strong support for negotiations at the 26th Meeting of the Conference of the





Parties (COP26) to the UN Framework Convention on Climate Change (UNFCCC) through its technical analysis and senior OECD officials' participation. Several adaptation-related events took place, including:

Losses & Damages from Climate Change – the Role of Finance (9 November 2021)

Finance, including development finance and humanitarian assistance, can help developing countries reduce and manage climate-related losses and damages through risk reduction, risk retention and risk transfer. This side-event, co-organised with DCD, took stock of trends and recent progress, drawing from the recent OECD report on losses and damages from climate change.

Tracking a moving target: How to measure progress and policy effectiveness in adapting to climate change (5 November 2021)

The OECD Secretariat, with the UK Department for Environment Food and Rural Affairs (Defra), convened a roundtable through the OECD COP26 Virtual Pavilion to discuss the critical need for, as well as existing challenges and achievements in, measuring progress in implementing national adaptation policies. Representatives from national and subnational governments from the OECD, including Chile, Germany and the United Kingdom, came together to share insights and key policy priorities their countries are pursuing to accelerate progress in adaptation measurement.

Aligning Finance with Adaptation and Resilience Goals (2 November 2021)

This event discussed what would be needed to accelerate progress towards Article 2.1c's goal of making finance flows consistent with climate-resilient development. Achieving climate-resilient economies and societies not only requires increasing the billions of financial flows for adaptation, but also driving financial flows and away from potentially mal-adapted activities.

Adapting to a changing climate in the management of wildfires in continental Europe (28 October 2021)

The OECD Secretariat, with Guy Carpenter, convened an event with sessions focussed on how to align public policy to manage wildfires effectively, the role of financing and risk transfer mechanisms in wildfire resilience plans, as well as the role of technology and innovation to scale up wildfire prevention and management.

The OECD COP26 Virtual Pavilion can be found here: https://oecd-events.org/cop26/.

Adaptation blog campaign

Since January 2021 a series of blog contributions is being developed and published on the OECD Environment Directorate's website on *Environment Focus* (https://oecd-environment-focus.blog/) as well as the website on climate change: https://www.oecd.org/climate-change/

RECENT BLOGS IN THE SERIES ARE:

- Managing climate risks in mountainous areas
- COP26: Big steps forward on adaptation and resilience
- Building it "right" in African cities not back better
- Building resilience to natural disaster risk in agriculture
- Seeing the value in climate science
- Changing climate, changing coasts: Why resilience matters
- Climate resilience is essential for a sustainable financial system

TFCCA WEBSITE

In December 2021, the OECD Secretariat launched its new public website for the TFCCA. It provides background information about the Task Force, overviews of recent events and our latest publications.





The website can be found here: https://www.oecd.org/climate-change/adaptation-task-force/





RECENT OECD PUBLICATIONS RELATED TO CLIMATE CHANGE ADAPTATION

Strengthening climate resilience in mountainous areas (December 2021)



Mountainous areas are at the forefront of climate change. This working paper presents approaches to strengthening the resilience of human and natural systems in mountainous areas against the impacts of climate change. Chapter 1 provides an overview of climate-related hazards to ecosystems and communities in mountainous areas, especially in developing countries, and their

exposure and vulnerability to those hazards. The chapter then examines various ways governments and development co-operation providers can strengthen the climate resilience of mountain communities and ecosystems. Chapter 2 presents the case of the Indian state of Uttarakhand.

The working paper is available here: https://doi.org/10.1787/1af319f0-en.

Building resilience: New strategies for strengthening infrastructure resilience and maintenance (November 2021)



Following the COVID-19 shock to economies and societies, many countries are renewing infrastructure investment as a stimulus measure. Such investments present an opportunity for governments to address short-term infrastructure challenges through maintenance spending while building resilient and sustainable infrastructure for the future. Infrastructure resilience and maintenance requires a multidimensional approach, considering a range of factors and stakeholders at the local, regional, national and global levels to identify trade-offs among objectives and enable more robust policy choices. Drawing on examples and case studies, this report provides a framework for optimising existing infrastructure assets and building new resilient infrastructure. It also includes strategies for ensuring quality and performance over an asset's lifecycle.



The policy paper is available here: https://doi.org/10.1787/354aa2aa-en.

Managing Climate Risks, Facing up to Losses and Damages (November 2021)



This report addresses the urgent issue of climate-related losses and damages. Climate change is driving fundamental changes to the planet with adverse impacts on human livelihoods and well-being, putting development gains at risk. The scale and extent of future risks for a given location is, however, subject to uncertainties in predicting complex climate dynamics as well as the impact of individual and societal decisions that determine future greenhouse gas emissions as well as patterns of socio-economic development and inequality. The report approaches climate-related losses and damages from a risk management perspective. It explores how climate change will play out in different geographies, over time, focusing on the three types of hazards: slow-onset changes such as sea-level rise; extreme events including

heatwaves, extreme rainfall and drought; and the potential for large-scale non-linear changes within the climate system itself. The report explores approaches to reduce and manage risks with a focus on policy action, finance and the role of technology in supporting effective risk governance processes. Drawing on experiences





from around the world, least developed countries and small island developing states in particular, the report highlights a number of good practices and points to ways forward.

The report is available here: https://doi.org/10.1787/55ea1cc9-en.

Implementation Handbook for Quality Infrastructure Investment (July 2021)



This Handbook provides a forward-looking view on how quality infrastructure investment can be implemented to deliver on key policy priorities, notably catalysing the low-carbon transition, safeguarding biodiversity, building resilience, addressing regional disparities, and underpinning sustainable development. The Handbook assesses some of the infrastructure investment needs required to deliver on these priorities, identifies challenges and bottlenecks, and proposes solutions. It highlights effective infrastructure governance, the mobilisation of financial resources, and the subnational dimension of infrastructure governance and investment as key means for delivering quality infrastructure investment

The Handbook complements the OECD Compendium of Policy Good Practices for Quality Infrastructure Investment. While the Compendium is a policy guidance tool, the Handbook is an analytical and operational tool, focusing on selected major issues and challenges that are relevant in the context of the current crisis as well as for long-term sustainability, with concrete examples and case studies to illustrate the suggested solutions. They promote a shared understanding of the elements needed to support quality infrastructure investments in alignment with the G20 Principles for Quality Infrastructure Investment and in accordance with international standards.

The handbook is available here: https://www.oecd.org/finance/OECD-Implementation-Handbook-for-Quality-Infrastructure-Investment.htm.