



**22nd Conference of the Parties to the  
United Nations Framework Convention on Climate Change  
Side Event of UN Regional Commissions**

15 November 2016, 16:00-17:30

Africa Pavilion Salle 1, Bab Ighli, Marrakech, Morocco

**ECONOMICS OF CLIMATE CHANGE: REGIONAL PERSPECTIVES**

**Concept Note**

**Objectives**

- To obtain better understanding of the economic impacts of climate change in each region and of investments needed at regional and national levels for climate change adaptation and mitigation;
- To exchange experiences on economic instruments and policies successfully applied in the regions.

**Expected outcomes**

- Member States and other stakeholders will have a better appreciation of the economic impacts of climate change in the regions and the work by the UN Regional Commissions to support country and regional efforts in assessing economics of climate change, based on the Nationally Determined Contributions (NDCs) of countries who have formally joined the Paris Agreement, and the Intended Nationally Determined Contributions (INDCs) for those that have not yet joined formally, and in the context of the 2030 Agenda for Sustainable Development. Specific focus will be on national and regional efforts and work to support countries in elaborating innovative response measures, economic instruments and policies for climate adaptation and mitigation. The event will also promote interregional peer learning by sharing experiences from the regions.



## Focus areas

- (1) Assessing economic impacts of climate change to different economic sectors (damages related to the use of natural resources, such as water; agriculture (impact on crops and livestock); losses and damage from extreme weather events; costs related to climate related displacement, other).
- (2) Devising appropriate economic instruments, policies and regulatory reform to achieve cost efficient solutions to mitigation and adaptation, and ensuring equitable outcomes.
- (3) Statistical capacity of national governments and efforts to develop and deploy effective approaches and methodologies for measuring the economic impacts of climate change and the investment needs.
- (4) Financing in support of the Paris Agreement, including resource mobilization challenges and approaches to innovative financing.
- (5) Partnerships, engaging diverse stakeholders, thematic and regional coalitions for the implementation of the Paris Agreement in the context of the 2030 Agenda.

## Background

According to experts, global climate change has already had observable effects on the environment and the society. There are more frequent wildfires, longer periods of droughts in some regions, an increase in the number, duration and intensity of tropical storms, accelerated sea level rise and longer, more intense heat waves.<sup>1</sup> Global weather systems are being severely adversely impacted by anthropogenic climate change.<sup>2</sup>

The range of published evidence indicates that the net damage costs of climate change are likely to be significant and will increase over time.<sup>3</sup> A recent study by Burk et al (2015)<sup>4</sup> found that the cost of unmitigated global warming could reduce global GDP per capita by 23% in 2100. An assessment by Channell et al (2016) projects that limiting global temperature rise to 1.5°C instead of the 4.5°C that would result from current trends could avoid GDP loss in excess of about US\$50 trillion.

The urgency of combatting the climate change and its potential very high damage costs has been recognized by Member States. By 5 October 2016, seventy five Parties of 197 have ratified the Paris Agreement. With this, the threshold for entry into force of the Paris Agreement was achieved and the Paris Agreement will enter into force on 4 November 2016. The first session of the Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement (CMA1) will take place in

<sup>1</sup> <http://climate.nasa.gov/effects/> accessed on 4 October 2016

<sup>2</sup> In a research paper in Nature Climate Change (111–116, 2014), Cai et al show evidence of evidence for a doubling in the occurrences of El Ninos in the future in response to greenhouse-induced warming – see, <http://www.nature.com/nclimate/journal/v4/n2/full/nclimate2100.html>

<sup>3</sup> According to the Intergovernmental Panel for Climate Change, <http://www.ipcc.ch/>

<sup>4</sup> Burke et al, 2015. Climate and conflict. At <https://web.stanford.edu/~mburke/papers/Burke%20Hsiang%20Miguel%202015.pdf>



Marrakech in conjunction with COP 22.<sup>5</sup> These events mark a historic opportunity for developed and developing countries to start working together towards its implementation.

The Paris Agreement shall be implemented within the sustainable development framework. The 2030 Agenda for Sustainable Development adopted by the United Nations in December 2015 includes climate change in many of its Sustainable Development Goals (SDGs), most importantly in the SDG 13 “Take urgent action to combat climate change and its impacts”, and is expected to strongly support the integrated approach to the implementation of the Paris Agreement.

The start of the implementation of the Paris Agreement presents opportunities to develop pathways for long-term sustainable growth through the development of innovative low emission climate resilient technologies and infrastructure to decarbonize the global economy at a scale and rate required for climate stabilization and ensure better adaptation to future risks. This transitioning to a low carbon and climate-resilient development is the only way to contain global warming and manage its adverse impacts.

Implementing the Paris Agreement at national and local levels requires innovations in economic policies, regulation, and institutional structures. It also requires higher capacity of governments for implementation. There is a need for regional cooperation for addressing common cross-border and transnational challenges (floods, air pollution, sustainable energy, disaster risks, migration, other) and exchanging good practices and experiences on economic instruments and policies that have been successfully applied, including on market-based instruments such as carbon pricing and taxation, and regulatory reform and information-based approaches. There is also a need in involving stakeholders – local authorities, private sector, civil society, and academia.

The UN Regional Commissions<sup>6</sup> (RCs), through their multidisciplinary and cross-sectoral capacity and expertise and acting both individually and collectively, provide analyses and policy advice for Member States on economic impacts of climate change, on appropriate response measures, as well as on innovative sources of financing for the Paris Agreement implementation. They actively promote partnerships with other parts of the United Nations system and other stakeholders. They have focused on different aspects of the economics of climate change, including economic impacts and costing to various sectors, climate financing, including through the private sector, investments in renewable energy and other adaptation and mitigation measures. The side event will provide more insights on these efforts by the RCs and their partners.

<sup>5</sup> The status of 9 October 2016. See at [http://unfccc.int/paris\\_agreement/items/9444.php](http://unfccc.int/paris_agreement/items/9444.php)

<sup>6</sup> Economic Commission for Africa (UNECA); Economic Commission for Europe (UNECE); Economic Commission for Latin America and the Caribbean (UNECLAC); Economic and Social Commission for Asia and the Pacific (UNESCAP); Economic and Social Commission for Western Asia (UNESCWA)