

CURBING CLIMATE CHANGE'S ABILITY TO DESTROY DEVELOPMENT PROGRESS

The economic effects of climate change have the potential to wipe out decades of hard-won economic and development progress in Cambodia and around the world. Specialists from UNDP's Governance of Climate Change Finance (GCCF) team are working with Cambodia to adapt climate interventions and budgeting to ensure climate impacts do not set the country's progress back by decades.

THE CHALLENGE

Cambodia is consistently ranked among the top ten countries most vulnerable to climate change and often among the three most vulnerable in Asia.

The impacts of climate change – such as increased droughts and more erratic storms – threaten lives and livelihoods across the country.

However, without improving the ability to adapt to, and mitigate, the effects of climate change, Cambodia's sustainable development progress over the past decades is at risk of being wiped out.

OUR SOLUTION

Dealing with the challenges presented by climate change requires detailed budget analysis of what resources are available, where gaps exist and how resources can be prioritised and targeted most effectively.

UNDP's Governance of Climate Change Finance programme (GCCF) recognizes these are critical steps towards safeguarding Cambodia's development progress from the threat of climate change.

As such, GCCF, with support from the Government of Sweden and UNDP experts has worked with a broad section of the Cambodian Government (including nine different ministries) to develop one the world's first comprehensive climate financing frameworks. This framework is better equipping the government to manage its scarce resources and more effectively guard development progress against the effects of climate change.

The framework has enabled the government to:

- Estimate the economic impact of climate change;
- Cost potential responses;
- Analyse existing budget climate allocations and expenditures and improve their tracking;
- Develop scenarios of future funding based on current government strategies;
- And adopt new budget guidelines to mainstream climate risk into programme development.

RESULTS

By highlighting the gap between the country's projected funds and future costs, the government has been able to identify key actions for potential donors. This has created an effective tool to lobby for critical external financing. The development of the framework, along with its recommendations, has also improved government collaboration across sector ministries, fostering a more cohesive, integrated approach to addressing the issue.

Finally, the framework is improving governance by supporting a more in-depth work programme between GCCF and the government that supports the Ministry of Finance to create climate responsive budget submissions and better track climate finance in the national budget.

With better governance, comes more resilience and preparedness to face the challenges of climate change, ensuring that decades of economic growth is not undermined.



© UNDP's climate finance work is securing more resilient development, ensuring more empowered lives for the poorest and most vulnerable. UNDP Cambodia

Lessons learned

The framework has highlighted that only one quarter of Cambodia's total financial requirements could be realistically met in the short term by the government – this has been useful in lobbying for additional, critical financing.

The work done between UNDP and the government has presented a concrete approach to addressing the serious road-block climate change presents to the country's future prosperity, equality and growth.

Want to find out more?

UNDP's Governance of Climate Change Finance to Benefit of the Poor and Vulnerable in Asia Pacific has devised appropriate, pragmatic and integrated climate finance budgeting solutions for countries throughout the Asia Pacific. Our diverse team of specialists speak your language and understand the big picture along with the practical issues you face. Get in touch to see how we can help develop climate finance budgeting solutions that bring a whole-of-government approach to benefit the poor, vulnerable and marginalized and better mobilise, manage and target climate finance.

Useful links

www.CFADE.org

<https://www.climatefinance-developmenteffectiveness.org/countries/cambodia>

https://www.climatefinance-developmenteffectiveness.org/sites/default/files/documents/10_02_15/Cambodia_CCFF_Summary_as_27Oct2014_for_CRBWS.pdf