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Background Note

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Climate change as part of the post-2015 development agenda

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The Millennium Development Goals (MDGs) have increased support for poverty reduction. For over a decade, they have provided a 'moral compass' to measure progress towards crucial human development targets, from poverty reduction to tackling disease (Watkins, in Sumner 2009). While the priority remains to reach those targets by 2015, attention is turning to the post-2015 landscape.

The present goals need to be taken to their logical conclusion, with an agenda to eradicate extreme poverty and hunger. An effective post-2015 agenda needs to learn from the MDG successes and limitations to date, while incorporating major future challenges for development. One of these is climate change.

When the MDGs came into force in 2000, several governments resisted the inclusion of climate change (UN, 2000 in Fankhauser and Schmidt-Traub, 2010). MDG7 (ensuring environmental sustainability) states that 'a decisive response to climate change is urgently needed', but a criticism of the MDGs remains their lack of focus on tackling climate change (Urban and Sumner, 2009).

Climate change is hard to ignore, with the Intergovernmental Panel on Climate Change concluding in 2007 that climate change is occurring 'without doubt', and a clear increase in the number of extreme weather events worldwide. The implications for the development agenda, however, remain underappreciated (Boyd et al., 2009), and this Background Note discusses what this means for post-2015 deliberations.

Climate-proofing a post-2015 agenda

Climate change threatens poverty reduction, with many developing countries still dependent on agriculture and climate-sensitive natural resources, and lacking the capacities to manage climate risks.

Research on the potential impact of climate change in rural India finds that poverty could increase by between 1% and 6% by 2040 when compared to a counterfactual of no global warming (Skoufias et al., 2011) as a result of lost agricultural productivity and incomes and rising cereal prices. Poor people are hit hardest: most affected by rising costs of staple foods (Jacoby et al., 2011 in Skoufias et al., 2011).

However, the impacts vary, depending on whether households are net producers or consumers of agricultural products. The heaviest impact is on urban wage labourers, while agricultural, self-employed rural households could benefit from higher prices (Hertel et al., 2010 in Skoufias et al., 2011).

Climate change threatens the achievement of other MDGs and may even reverse gains already made (Stern, 2009). Water scarcity, resource degradation and rising food prices may impact women – often responsible for household water, firewood and food supplies – with implications for MDG3 on gender equality. Changes in rainfall and temperature may increase the risk of disease, with implications for MDGs 4, 5 and 6, on child mortality, maternal mortality and HIV/AIDS and other diseases. Decision-makers need to be ready to deal with such uncertainties and the post-2015 agenda should be adaptable to the opportunities and challenges posed by climate change.

Any post-2015 agenda to reduce poverty sustainably needs to be 'climate proofed' with the flexibility and resources to ensure that communities can adapt to climate change and are protected against its impact.

For Africa, the total external financing needed to achieve 'climate resilient' MDGs is over 40% higher than the amount needed to achieve them without climate change: $100 billion a year for the next decade compared to $72 billion. Can a post-2015 agenda ensure the political will to fund these additional costs? Or, are there options for new climate finance to contribute to development aims?

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Climate change responses as post-2015 opportunities

The climate funds that are needed will surpass current development expenditure. At the Copenhagen Climate Summit, developed countries pledged to scale up climate funding to $100 billion per year from private and public sources by 2020 (Schalatek and Bird, 2010). Could this finance a post-2015 poverty eradication agenda?

Climate negotiations recognise that climate change must be addressed as part of sustainable development – crucial for developing countries that are prioritising economic growth (Ramakrishna, 2000 in Schipper and Pelling, 2006). But it is proving hard to cut carbon emissions in the context of sustainable development, which requires equity and poverty reduction.

REDD+ aims to mitigate climate change by supporting developing country policies to reduce emissions from deforestation and forest degradation, while ensuring sustainable forest management. However, it needs careful implementation to minimise negative effects on marginalised people who depend on forest resources but have no fixed rights to forest land (Peskett, 2010).

The Clean Development Mechanism (CDM) aims to reduce greenhouse gas (GHG) emissions while achieving sustainable development in developing countries. But its impact on poverty reduction and its support for sustainable development have been limited. The poorest countries have minimal access and there are tensions and trade-offs between its dual aims. Cost-effective reduction of GHG emissions favours large projects that score low on sustainability (Holm Olsen, 2007) and a concentration of projects in middle-income countries (particularly China and India) with implementation capacity (Caravani et al., 2010). While GHG emissions are monetised in the carbon market, sustainable development benefits are not, with no standardised indicators for their assessment (Holm Olsen, 2007).

The close relationship between adaptation and development is recognised. However, funds approved for mitigation outweigh those for adaptation (deemed 'unprofitable' by the private sector), which accounts for only around 14% (just over $1.1 billion) of approved climate finance (Climate Funds Update, 2011). In principle, adaptation funding should be additional to official development assistance (ODA), but it is unclear how additionality is defined, with no baseline yet agreed. The definitions being debated imply that, for now, ODA will remain a key source of climate finance (Brown et al., 2010). Can post-2015 discussions clarify the roles of ODA and adaptation finance in sustainable poverty eradication?

Responses to climate change and poverty are being formulated with little reference to each other. Could the post-2015 discussions increase consideration of poverty concerns within climate change responses? If not, what are the implications? With the Kyoto protocol ending in 2012, and the MDG deadline in 2015, there is a window to bring the climate change and poverty reduction communities together.

Climate change could alter development thinking

There are calls for the post-2015 agenda to incorporate sustainability more explicitly. Climate change and financial crises are key components of a global 'long crisis' (Evans et al., 2010 in Sumner and Tiwari, 2010). A future development agenda must include indicators of vulnerability and resilience as well as growth, with MDG 7 broadened to include the need to mitigate the risk of external shocks.

Climate change challenges the dominant development paradigm – modernisation and economic growth – which treats the environment separately and neglects climate variability (Brooks et al., 2009). A 'one world' approach would frame a post-2015 agenda to tackle global, systemic issues, particularly poverty reduction and climate change (Manning, 2009). It would shift the aid architecture away from 'us' and 'them', with all countries reporting against certain indicators.

A set of 'Millennium Consumption Goals' for rich countries could run alongside the MDGs (Munasinghe, 2011), as outlined in Table 1. Cutting consumption can yield a 'double-dividend': reducing environmental damage while improving the quality of life (Jackson, 2005). To ensure political will, such goals must be portrayed as win-win for developed nations.

Climate change challenges sectors that matter for poverty eradication. The energy sector, for example, needs to produce new energy in a low carbon way to benefit the 1.6 billion people – many of them in remote and rural communities – who lack electricity. Most can be served with stand-alone systems based on renewable energy resources (Bradbook and Gardam, 2006), rather than developing new systems or extending old ones.

Agriculture is both a victim and a perpetrator of climate change, responsible for almost 15% of annual GHG emissions (Nelson, 2009). Discussions are underway on how it can reduce emissions while ensuring food security for a growing population (Godfray et al., 2010).

Energy and agriculture have been neglected by the poverty reduction agenda since 1990, but that is changing because of climate change and the food crisis, with heated debate over the climate change response. In agriculture, there is new enthusiasm for 'high tech' and green revolution approaches, despite concerns about their environmental sustainability, given projections of reduced water availability as a result of climate change. Sustainable agricultural techniques, however, could offer mitigation opportunities through increasing carbon sequestration. A post-2015 agenda needs to reflect new thinking in these key sectors for poverty reduction.

Table 1: Proposed Millennium Consumption Goals in rich countries

	Goal	Rationale	Proponents
1 Reduce GHG emissions:			
1a	Reduce fossil fuel energy consumption – target linked to climate change agreements	Some national targets exist. In 2011 the UK Government proposed a legally-binding target to halve GHG emissions by 2023-2027 compared to 1990 levels	
1b	Double usage of non-motorised transport	Improves public health, reduces GHG emissions, makes cities safer	Assadourian (2011)
	Halve individual driving through increased walking and cycling		Vergragt (2011)
1c	Halve household electricity use through energy conservation, efficiency and building design	Reduces GHG emissions and household spending on energy	McDermott (2011)
2 Decrease the environmental costs of food production:			
2a	Halve obesity and overweight rates by 2020	Reduces mortality, morbidity and economic costs and ecological pressures driven by overconsumption	Assadourian
2b	Reduce meat and dairy consumption by 80%	Environmental impact of non-vegetarian meals is up to twice as high as for vegetarian meals (Rejinders and Soret, 2003). Potential health benefits from less meat consumption	Vergragt
2c	Double organic food production	Reduces GHG emissions, chemical fertiliser and pesticide use	McDermott
3 Improve the work-life balance:			
3a	Halve the work week to 20 hours or reduce working hours by 30%	Better distributes jobs and wealth, promotes healthier living, and reduces economic activity. Reducing working hours, with lower income and less consumption having environmental and welfare benefits (more flexible working hours may create more jobs and free time) (Sanne, 2002)	Assadourian
			Vergragt
4 Reform the financial system:			
4a	Raise taxes on the wealthiest	Luxurious lifestyles are not environmentally sustainable	Assadourian
4b	Progressive taxation including ecotaxes	Revenues can be invested in green energy	Vergragt
4c	Ensure a stable banking system	Contribute to a 'post-growth' economy and ending economic growth by 2025	Williams (2011)
5	Guarantee access to healthcare for all		Assadourian
6	Reduce area of per capita living space by 25%		Vergragt
7	Halve water consumption		Vergragt
8 Reduce waste:			
8a	Reduce waste by 90% through recycling, composting and reduced purchases		Vergragt
8b	Eliminate food waste	30-40% of food is wasted globally – the result of cheap consumer prices and requirements for unblemished food in rich countries (Godfray et al., 2010)	Williams

Increasing international obligations to the most vulnerable

Most countries have made progress on the human development MDGs, but few have enough economic growth to reduce poverty, or that has translated into poverty reduction. Those escaping poverty have been balanced by those descending into poverty. Escape from poverty is often hampered by the risky environment for poor people, and the lack of buffers to cushion the effects of shocks, such as high oil or food prices.

The MDGs have been said to neglect the poorest. The 'long crisis', including climate change, increases the obligation of post-2015 strategies to protect the most vulnerable. Two key principles built into the UN Framework Convention on Climate Change (UNFCCC) are equity and 'common but differentiated responsibilities' when addressing climate change (Article 3). This should emphasise the specific needs of developing countries. However, there are few mechanisms to reach the poorest and most vulnerable people in these countries with climate finance and technical assistance. Safety nets are vital, and a post-2015 agenda should include a greater role for social protection and disaster management (Fankhauser and Schmidt-Traub, 2010). Climate change strengthens arguments for a goal, or indicator, on a 'social security floor' (ILO, 2009) or for access to social protection for all poor and vulnerable people by 2020 (CPRC, 2008).

There has been progress on social transfers in wealthier developing countries, where they now benefit nearly one billion people (Barrientos and Niño-Zarazúa, 2011). Low-income countries, however, need new policies and significant funding beyond 2015. Could adaptation finance be used for social protection? Could 'additional' climate finance be ensured through a right for citizens to be protected? Could other rights, such as to education or to reproductive health services, be built into adaptation programming?

The international development agenda and climate change

The debate on whether climate change is a reality is now over. Its impact will be felt for decades, if not centuries, to come, and discussions on the post-2015 agenda must address this. With political will, climate change could stimulate a truly global post-2015 agenda covering reductions in poverty and rich world consumption, with climate finance providing additional resources. If, however, post-2015 discussions ignore climate change, they may condemn many people to a life of poverty; the result not only of climate change itself, but also of climate change responses that neglect the complexities of poverty reduction.

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