

ADAPTATION FUND FOR SMALLHOLDER AGRICULTURE: ENABLING DEVELOPING COUNTRIES TO SURVIVE CLIMATE CHANGE



ISSUE PAPER
ASK. ANALYZE. ADVOCATE. ACT!



**Asian Farmers' Association
for Sustainable
Rural Development**

**VOLUME 3
NUMBER 2
DECEMBER 2011**

Sumalee's tears welled up as she watched the flood wash away the crops that she had been carefully tending only a few days ago. The rains had come so unexpectedly and so strongly that there was no time to save any of the grains from the field. She was not able to save even a handful of vegetables from the tiny garden in her backyard. Already, she was worrying how she can feed her family now that the floods swept away almost everything that she had planted. Worse, she did not know how she could pay back the loan that she got from the village trader to buy the seeds and other inputs for her crops. Her only consolation was that at least she and her family were safe despite the heavy floods. She knew that others were not as lucky. A week earlier, at least 600 people died because of the heavy rains in the southern part of Thailand.

Sumalee's case is not an isolated one. All over Asia, small women and men farmers are experiencing extreme and intense weather events brought about by climate change. Almost all of them are caught unprepared by changing climate patterns: rains are heavier, storms and floods occur more often, dry seasons are more intense and last longer. They do not understand why this is happening. All they know is that they have to find a way to adapt to and survive these changes.

In this issue paper, we will look at how farmers are adapting, and can better adapt, to the negative impacts of climate change. We will look at the resources, including climate finance, and policies

necessary to help poor farmers and communities cope with changing climate patterns.

Many of the discussions on climate adaptation are happening in countries where governments are formulating and preparing for the implementation of their respective national adaptation plans. At the global level, discussions on climate finance and adaptation take place in the Conference of Parties to the United Nations Climate Change Convention (UNFCCC). This issue paper will provide an overview of developments related to climate adaptation and climate finance both at the national and international levels.

WHAT IS CLIMATE ADAPTATION?

Climate adaptation refers to the processes and actions that enable people and communities to cope with the impacts of climate change.

These actions can take many forms, depending on the nature of the effects of climate change. For instance, for many small women farmers, this can mean setting up an herbal garden with medicinal plants, which will allow them to help cure their children and other family members of colds, coughs, fever and other sickness that are occurring more frequently because of the increasing unpredictability in weather and temperature. For smallholder farmers, this can mean the setting up of small water impounding systems to help them gather and store water during times of drought, which are now more intense and longer in duration. For small women and men fishers, this can mean planting mangroves near the shore to help restore fish stocks, which are running low due to the high salt content in the water as intense heat lead to greater seawater evaporation.

Adaptation is implemented in and by the communities experiencing the effects of changing climate patterns, sometimes with the support of governments, institutions and civil society groups. A community's action or response to climate change will vary depending on the resources, skills and capability of its community members.

Because climate change has different impacts on different environments, and because communities have different resources, skills and capabilities to deal with changing climate patterns, one can expect adaptation practices to vary from one area to another. The common thread that ties these practices together is that they help people cope with and survive the effects of climate change.



HOW IS ADAPTATION DIFFERENT FROM MITIGATION?

While adaptation is used to refer to actions that enable people to cope with the impacts of climate change, mitigation refers to actions that aim to address the causes of climate change.

Scientists found out that climate change is caused by the building up of harmful gases, called greenhouse gases, in the earth's atmosphere. Many of these greenhouse gases were created or emitted in the air as a result of human activities, such as when factories burn up coal, or when ships and airplanes burn up fuel. Many of the world's top scientists are saying that if the world does not stop or substantially reduce the release or emission of these greenhouse gases, the world's climate will change even more drastically, and the effects of these changes will be catastrophic for everyone, especially the poor in developing countries.

Mitigation refers to efforts to reduce the release of these greenhouse gases. Scientists were able to show that a large portion of the greenhouse gases in the atmosphere today come from developed countries.

Developed countries are the first to build and have the most number of factories. They use more cars, ships and planes. They have the most number of household appliances that require lots of energy, such as those coming from coal, to operate. All of these contributed, and continue to contribute, greatly to climate change. Moreover, chemical intensive farming also increased levels of greenhouse gas emissions, primarily as a result of the overuse of fertilizers, land clearance, and intensive animal farming. Data from the UNFCCC show that developed countries account for 75% of global greenhouse gas emissions, even though they constitute less than 20% of the world's population.

Least developed and developing countries, on the other hand, contribute very little to greenhouse gas emissions, even though they suffer, sometimes even more greatly, the effects of changes in the climate. Because of this, developed countries have the responsibility not only of reducing

greenhouse gas emissions, but also of helping poor communities in developing countries cope with the negative impacts of climate change.

WHY DO DEVELOPING COUNTRIES NEED TO ADAPT TO CLIMATE CHANGE?

In the consultations conducted by AFA, farmers identified the many manifestations or signs of climate change. These include longer and more intense dry season or droughts, higher temperature, heavier rains, and greater number of typhoons and storms, which lead to frequent flooding. These changes in climate patterns have negative effects on agricultural production as well as on farmers' incomes and livelihood. These also affect the food

security situation, and even the economic development of developing countries.

Small women and men farmers report that climate change has led to lower agricultural output, increased pest infestation, scarcity of water for irrigation and other household uses, increased number of cases of sickness among family members, and greater risks or danger of crop damage due to droughts and storms.



Poor communities are highly vulnerable to the effects of climate change. Most poor families have no choice but to live in marginal lands that are easily affected by storms and floods. During times of typhoons, many poor people lose their houses and their lives.

If developing countries do not develop and find ways to help small farmers adapt to these negative effects of climate change, the number of poor people, as well as the intensity of their poverty will increase. This is because farming is the main source of livelihood and income for millions of people across Asia. Hunger will also increase as families produce less food and earn less income to buy food from the market.

WHERE SHOULD FINANCE FOR CLIMATE ADAPTATION COME FROM?

Unfortunately, many developing countries do not have enough resources to help poor people cope with climate change. For instance, many developing

countries do not have enough resources to provide for irrigation services. Without irrigation, farmers find it hard to raise crops during prolonged dry seasons. Many developing country governments have limited resources to provide resources for seeds, extension services, research and technology and other support, which can help farmers prepare for, or quickly recover from, the devastating effects of changing climate patterns on their farms.

In the UNFCCC negotiations, developing countries are calling on developed countries to provide adequate resources to support climate adaptation. As mentioned earlier, climate change is a result of the greenhouse gas emissions from developed countries, and developing countries are experiencing its negative effects, even though they have little contribution to the building up of harmful gases in the earth's atmosphere. Because of this, it is only right and fair that developed countries put up the necessary funds, or climate finance, to support adaptation plans and programs in developing countries.

HOW MUCH OF CURRENT CLIMATE FINANCE IS ACTUALLY GOING TO ADAPTATION?

Sadly, bulk of available climate funds now are being used to support climate mitigation. Although there are several funding facilities for adaptation projects, the amount of money that goes to these funds are very small compared to those that are used for mitigation. Data show that only 20% of total climate funds are allocated for adaptation.

One example of these funding mechanisms is the Adaptation Fund. This fund was established in 2001, but only became operational in 2009. As of 2011, the total amount deposited to this fund was USD 249.98 million. From this fund, the total value approved for release was USD 71.39, while the amount actually disbursed or used for adaptation projects was only USD 21.6 million. Additionally, from the 21.6 million actually disbursed for adaptation projects, 9.46 million was used to pay for administrative fees. This means that the money that actually goes to projects that should help small women and men farmers cope with and survive the negative impacts of climate change is very small.

Many civil society organizations, including farmers' organizations (FOs) like AFA, are calling on developed countries to ensure that there is sufficient climate finance for both climate adaptation and mitigation.

WHAT ARE THE OTHER ISSUES RELATED TO CLIMATE FINANCE?

During the UNFCCC Ministerial Meeting held in Copenhagen in 2009, "developed countries committed to a goal of mobilizing jointly USD 100 billion a year by 2020 to address the needs of developing countries." There were many concerns that this amount will not be enough to support climate mitigation and adaptation in developing countries. The World Bank estimates that mitigation projects alone can cost from USD 140 million to USD 175 billion a year for the next 20 years, while adaptation projects can amount to anywhere from USD 30 to USD 100 billion per year from 2010 to 2050. Given these estimates, it is clear that the USD 100 billion provided in the Copenhagen agreement will not be sufficient to help countries cope and address the causes of climate change.

Developing countries are also worried about the reliability of the funds. They want to make sure that climate finance is predictable in the sense that they can always depend on the fact that there will be a certain amount of funds that can be used for their mitigation and adaptation plans and programs. This is possible if the funds, or at least a large part of it, are directly sourced from the budget of developed countries. Unfortunately, developed countries only commit to mobilize, and not directly allocate, resources for climate change activities. In fact, recently, many developed country governments are emphasizing the big role that private sector can play in generating resources to support climate change work. Without a reliable or predictable fund source, there is no assurance that the programs and actions that can help poor people cope with climate change, and contribute to its mitigation, will happen.



At the same time, developing countries want to make sure that the resources generated for climate change action are new and additional. They do not want developed countries to recycle their ongoing aid projects and to present these as climate change activities.

One other issue with respect to climate finance is the question of who decides where and how climate funds should be spent. Some developed countries want certain conditions in allocating climate resources. However, developing countries are asserting that they should have control and ownership over their climate action plans, especially in formulating and implementing adaptation plans, as they are the ones who have a greater understanding of the impacts of climate change on their respective population.

WHAT IS THE GREEN CLIMATE FUND?

In the UNFCCC Ministerial Meeting in Cancun in 2010, countries agreed to create the Green Climate Fund (GCF), as the “operating entity of the financial mechanism of the climate change convention.” The GCF is accountable to the Conference of Parties, or the countries that signed the UN climate change convention. The main objective of the GCF is to support climate related projects, policies and activities in developing countries.

The GCF has a Board that is responsible for governing or determining how the funds should be used. The Board is composed of 24 representatives, divided equally between developed and developing country members. It also has an interim or temporary trustee - the World Bank - which is assigned to take care of the administrative aspect of managing the funds. Many civil society groups have expressed concern over the choice of the World Bank as the trustee, because of the negative impacts of its actions and policy recommendations on many developing countries.

The Cancun agreement also created two other committees. One is the transitional committee, which is assigned to design the GCF and how it should operate. The other is the standing committee, which is tasked to assist the Conference of Parties in managing the GCF. However, although the Cancun agreement was able to create all these structures to administer the funds, the more important question of whether or not developed countries are now ready to fill up the GCF has yet to be resolved.



WHAT IS THE RESULT OF THE RECENT UNFCCC MINISTERIAL MEETING IN DURBAN IN 2011 ON CLIMATE FINANCE?

In Durban, many civil society groups called on the Parties to focus their discussions on climate finance on identifying concrete sources of money for the GCF. Many felt that the climate clock is ticking, and that the delay in the delivery of climate finance for much needed adaptation and mitigation support in developing countries is catastrophic for millions of poor people that are vulnerable to climate change. At the same time, it also undermines global efforts to immediately find and work on solutions to combat climate change.

The UNFCCC Meeting in Durban led to the operationalization of a governing instrument for the Green Climate Fund. However, once again, parties failed to deliver a concrete decision on where or how to get money for the Green Climate Fund. The Green Climate Fund is a new climate finance mechanism, and is different from existing climate funding mechanisms, such as the Adaptation Fund.

WHAT DOES THIS MEAN FOR SMALL-SCALE FARMERS IN ASIA?

The fact that many developed countries have yet to actually mobilize, much less provide, concrete commitments and pledges to the Green Climate Fund means that there are still very limited resources to support climate mitigation and adaptation activities for millions of small farmers in Asia.

Much needed adaptation support such as the extension of irrigation services, the propagation of climate-resilient agricultural or agro-ecological methods (including traditional and innovative farming methods), the promotion of weather- based

insurance services, the creation of community seed banks, community disaster preparedness and management, among others, cannot be made widely available to poor farmers due to lack of funding.

There will also be limited resources for the propagation of farming technologies that can help contribute to global mitigation efforts. Many FOs like AFA are actively promoting the use of sustainable agricultural production technologies, or agro-ecology, which are farming methods that move away from the use of environmentally dangerous mono-cropping and chemical-intensive farming inputs. Without climate finance, the propagation of these types of technologies will be very limited.

WHAT IS ASEAN DOING TO HELP POOR FARMERS ADDRESS CLIMATE CHANGE?

The Association of Southeast Asian Nations formulated the ASEAN Multisectoral Framework on Climate Change – Agriculture and Forestry towards Food Security (AFCC). The AFCC aims to contribute to food security by promoting the sustainable use of land, forest, water and aquatic resources so that this lessens the impacts and minimizes the causes of climate change. The AFCC hopes to encourage ASEAN countries to coordinate with each other in the development of their respective adaptation and mitigation strategies. At the same time, it aims to promote greater cooperation in the implementation of these strategies.

However, although the AFCC has already been accepted and approved by all ASEAN Members, it has yet to be truly operational. The ASEAN secretariat is still in the process of developing an operation plan to flesh out its objectives. It will be good if civil society and FOs can engage ASEAN as it formulates a concrete work program on



developing and implementing regional mitigation and adaptation strategies aimed at promoting food security under the AFCC.

WHAT ARE FARMERS DOING NOW TO ADDRESS CLIMATE CHANGE?

At the moment, many FOs like AFA are doing many things to help their members adapt to climate change. These activities include:

1. Advocating for land right and water rights, as a well as the promotion of small scale farming as ways of empowering smallholder farmers and giving them the freedom to use and adopt climate-friendly farming technologies in their farms; without land and water rights, small farmers have no choice but to adopt the farming methods prescribed by those who own the land and other resources;
2. Using agro-ecological approaches, or climate-friendly agricultural production technologies like the System of Rice Intensification (SRI), which allows them to efficiently reduce and manage the use of water for planting;
3. Promoting the adoption of sustainable and organic farming to lessen the use of harmful chemicals as well as their cost of production;
4. Promoting the use of renewable sources of energy, such as pig manure for biogas, charcoal briquettes, fuel-efficient stoves, solar pumps, dryers and electricity as a way of discouraging the cutting of trees and using fossil fuels;
5. Planting vegetable gardens in the backyard to help them maximize land use and improve household food security (e.g. Food Always In The Home or FAITH);
6. Building and developing household and community food reserves to enable them to have steady access to food even when production is low or damaged because of droughts and storms;
7. Creating seed banks to give their members access to seeds and allow them to immediately resume cropping after droughts and storms damage their crops;
8. Seed breeding to allow farmers to produce seeds that are appropriate to their soil and climate;

9. Lobbying government to provide weather-based crop insurance to help them manage the increased risks in agricultural production because of climate change;
10. Building water impounding systems to help them gather and store water during the rainy season, which they can then use in times of droughts and prolonged dry weather;
11. Encouraging members to save money and resources to build capital, and have access to services and inputs that they need to improve production even in the face of climate change;
12. Developing ways to link to the local market and have direct access to consumers, and in the process help reduce food mileage and lessen fuel use and costs.

The FOs are already undertaking these initiatives in order to cope with climate change. Making climate finance available to support these initiatives will go a long way in helping more farmers adapt to and survive the negative effects of changing climate patterns.

HOW DO FARMERS IN THE REGION WORK TOGETHER TO COMBAT CLIMATE CHANGE?

Farmers across Asia experience the negative effects of climate change. Working with each other allows them to share information and knowledge on this problem and how to address it. Below are some of the regional initiatives currently undertaken by AFA, to help their members cope with climate change:

1. Documentation of farmers' experiences as a guide in formulating good adaptation and mitigation strategies both at the national and regional levels;

2. Strengthening farmers' voices in the region and in the UNFCCC by developing and putting forward concrete recommendations on climate adaptation and finance;
3. Working with other civil society organizations and networks in supporting good adaptation practices in communities, and in lobbying that governments support their advocacies on adaptation and climate finance.

WHAT ARE FARMERS' CALLS WITH RESPECT TO ADAPTATION AND CLIMATE FINANCE?

Farmers' groups are calling on governments to adopt the following principles in developing national and regional adaptation plans and programs, as well as in formulating positions on adaptation in the UNFCCC:

1. Ensure that the process of developing national and regional adaptation plans are consultative and participative, and should always consider the position and perspective of farmers as they are the most affected by the negative impact of climate change;
2. Mainstream and support the adaptation activities that FOs like AFA are already undertaking; many of these adaptation activities can readily be integrated and adopted in the adaptation strategies and plans of countries;
3. Allocate more climate finance for adaptation; ensure that climate finance will be used to equally support climate change mitigation and adaptation;
4. Ensure that the adaptation and financial mechanisms currently being discussed in the UNFCCC are transparent and participative; civil society groups, especially FOs, should have a seat in the adaptation committee as well as in the various committees on the GCF.

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CREDITS

EDITORS: Ma. Estrella Penunia, Marciano Virola, Jr.

LAYOUT: Bebs Pavia, Art Angel Printshop

PHOTOS: AFA Photobank

Published by AFA

With support from Agriterra



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Vol. 3, No. 2, December 2011