



# Climate Action Network

## G20 Issue Brief:

### Economies, Ecosystems and Societies Resilient to Impacts of Climatic Events

*Suggested language for the G20 Leaders' Summit Communique:*

*We commit to implementing the 'Resilient Economies, Ecosystems and Societies' work program in collaboration with DFIs and UN agencies, and monitor progress to communicate learning and best practices thereof, to enhance our economies, guide sensible investment decisions and to transform our development models from being growth-focused to that of focus on shared prosperity and resilience. In this respect, we recognize the initiatives already taken by G20 members as experience sharing tools to develop best practices and nurture a steady dialogue towards resilience in a dynamic global environment. We further aim to support partner countries, especially the vulnerable and economically weak, in their resilience-building needs through finance and technical assistance as well as technology sharing.*

The socio-economic benefits and opportunities of resilient economies and societies are multi-fold, ranging from enhanced job security and workforce productivity to improved health indicators combined with lowered government expenses. **The impacts of changes in temperature, precipitation, sea level rise and the frequency and intensity of extreme as well as slow onset climatic events are already noticeably impacting ecosystems, economies, and societies of G20 and their partner countries as well as poor and vulnerable nations, putting at risk past and future progress towards the 2030 Agenda as well as ambitions to sustain growth.** According to the World Bank Group, climate change could drag more than 100 million people back into extreme poverty by 2030, much of which would be due to the negative impacts on health.<sup>1</sup>

In 2017 the G20 agreed to promote adaptation efforts and cooperation on resilience within the G20 and beyond. **Many of these actions can be no-regrets, benefiting women and children in particular.** Resilience of natural ecosystems, such as inland and coastal wetlands which function as natural buffers in the landscape absorbing and holding water during floods, releasing water in dry periods, and helping protect against coastal storm surges, need to be given utmost importance in G20 and partner countries during development of water infrastructure and coastal defense.

In contrast to the needs, resilience finance flows still stand abysmally low. **G20 countries and DFIs need to urgently address this gap through domestic budget and financial systems alignment, and by enhancing bilateral and multilateral flows to impacted and at-risk vulnerable developing countries.** Central banks and financial authorities need to constitute credit policies, instruments and lending requirements for (commercial) banks such that they take into account risks from changes in environment, weather, climate and natural resources to incentivise a shift in loans to green projects. Standardised and transparent carbon pricing regimes can help raise funds for resilience-building activities. Suitable schemes for watershed management supply, incentives for geographical diversification of farming, and exemptions for land use for infrastructure to help conserve ecosystems and biodiversity corridors are examples of ways that countries could innovate on policies and incentives for resilience. Climate and Disaster Risk Financing (CDRF), including climate risk insurance, can partially absorb the financial costs of disasters though updated estimates indicate the costs to be stupendously high for any insurance program to cover. To maximise benefits for poor and vulnerable people, CDRF must be: pro-poor; implemented as part of an integrated approach to risk management; and additional to investments in climate change adaptation and DRR.

CAN calls on G20 leaders to:

- **Recognise the vulnerability of their own economies, ecosystems and societies to changes in the natural world due to human activities;**
- **Address the gap in resilience of G20 and partner countries** through policy, financial, and fiscal measures;
- **Enhance and implement the work program to build resilience** with year-on-year monitoring and reporting of progress made;
- **Enhance support to vulnerable developing countries, especially SIDS and LDCs, through enhanced financial flows and enabling sharing of technical knowledge and technology.**

<sup>1</sup> Examples include: 250,000 additional deaths annually between 2030-2050 which will be attributable to climate change (World Health Organization); Per capita GDP will be 23% lower than it otherwise would be according to estimates from global banks if carbon emissions aren't reduced throughout this century; billions of dollars of infrastructure is at risk from a one-meter sea level rise alone; desertification, land degradation, drought-struck drylands and loss of wetlands are causally linked to displacement and conflicts.