

PRESIDENT OBAMA'S DEVELOPMENT POLICY AND THE GLOBAL CLIMATE CHANGE INITIATIVE

Global climate change will have a strong impact on development in coming decades. The absence of strong global action to reduce greenhouse gas emissions will hinder future development; conversely, smart climate policies can drive cleaner growth, resulting in a range of economic and social benefits. Through the Global Climate Change Initiative (GCCCI) and other climate-related USG programs, the United States will integrate climate change considerations into relevant foreign assistance through the full range of bilateral, multilateral, and private mechanisms to foster low-carbon growth, promote sustainable and resilient societies, and reduce emissions from deforestation and land degradation. The Administration is working to make our climate financing efficient, effective, and innovative, based on country-owned plans, and focused on achieving measurable results. As part of President Obama's commitments in Copenhagen, we are working together with our partners to provide "fast start" climate finance approaching \$30 billion during the period 2010-2012 to help meet the adaptation and mitigation needs of developing countries, including deploying clean energy technologies.

To this end we will use the full range of mechanisms – bilateral, multilateral and private – to invest strategically in building lasting resilience to unavoidable climate impacts; reduce emissions from deforestation and land degradation; and, support low-carbon development strategies and the transition to a sustainable, clean energy economy.

Investing in Clean Energy: Clean energy programs reduce greenhouse gas emissions from energy generation and energy use by accelerating the deployment of clean energy technologies, policies, and practices. The U.S. will deliver much of its assistance for clean energy deployment through multilateral trust funds that take advantage of existing large-scale greenhouse gas reduction opportunities and establish investment channels for and leverage of the larger private sector financing as demand for cleaner solutions increases. Bilateral efforts complement multilateral investments by helping to shape policy and regulatory environments that can ensure long-term sustainability. In its FY 2011 Budget, the Administration focused on four areas, including energy sector reforms that are preconditions for sustainable clean energy development, energy efficiency, low carbon energy, and clean transport.

Promoting Sustainable Landscapes: To help countries that put forward ambitious programs to reduce greenhouse gas emissions from deforestation and forest degradation (REDD+), the United States announced it would dedicate \$1 billion over 2010-2012 as part of the U.S. contribution towards the "fast start financing" reflected in the Copenhagen Accord. The U.S. commitment recognizes the crucial role of REDD+ to reduce emissions as part of Sustainable Landscapes programs that include forests and land use. The United States supports REDD+ activities because they offer cost-effective ways to reduce global greenhouse gas emissions while providing other sustainable development benefits. The Administration's strategy document, "Strategic Choice for United States Fast Start Financing for REDD+," will guide the implementation of efforts of U.S. agencies.

Supporting Climate Change Resilience and Adaptation: Helping low-income countries reduce their vulnerability to climate change impacts will reduce the social, environmental, and economic

consequences of climate change, and improve the effectiveness and sustainability of ongoing development efforts. Adaptation programs must integrate climate solutions into development activities that are affected by climate variability and change. In its FY 2011 Budget, the Administration focused adaptation finance on improving the dissemination of information to help identify the greatest vulnerabilities to climate change, creating governance systems that are inclusive, transparent, and responsive to the needs of their constituents, and implementing climate solutions that are locally appropriate and increase resiliency of the world's most vulnerable populations.

The Global Climate Change Initiative advances the Administration's global development policy in several ways:

- *Helps promote country ownership:* By working with countries as they formulate and carry out their national climate plans, the Administration will partner with countries to identify and target activities that can have the greatest impact in achieving climate goals, and work with other development partners to leverage resources in an effective and strategic manner.
- *Promotes climate solutions that spur economic growth:* We will undertake capacity building, technical assistance and advisory services as well as large-scale investments through our multilateral programs to promote private sector flows in climate-resilient infrastructure, clean energy and sustainable land-use practices. A critical component of this effort will be to boost developing country capacity to measure, report, and verify their emissions and evaluate their emission-reduction activities, helping to inform the design of their domestic policies, providing a foundation for a range of domestic instruments to mobilize private capital and informing progress in delivering on climate goals.
- *Ensuring sustainability of economic growth gains through actions that protect investments:* By ensuring that infrastructure, agriculture, tourism, fisheries, and other climate-sensitive sectors are protected from the worst impacts of climate change, the Administration will contribute to preserving long-term drivers of economic growth.
- *Strengthening governance and inclusive planning processes for climate resilience:* By investing in effective coordination and response to climate change, improved public communication and education, and strengthened community, civil society, and private sector engagement on climate change, the Administration will build more sustainable systems of climate planning, innovation and response.
- *Game-changing investments:* By pioneering advances in the application of science and technology, such as earth observations and information communication technologies, to climate adaptation, the Administration holds out the promise of leap-frogging existing barriers and gaps to facilitate resilience development.

###