

**Session 2: Review of promising innovative financing options for climate change and their potential contribution to the 100 billion commitment**

# **Innovative financing for climate change with a focus on children**

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UNICEF, 16 June 2014

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1. Climate Change programming with a focus on Children
2. UNICEF's experience in IDF in the Education sector- possible application to other sectors
3. UNICEF's current engagement in innovative financing

# Children and Climate Change

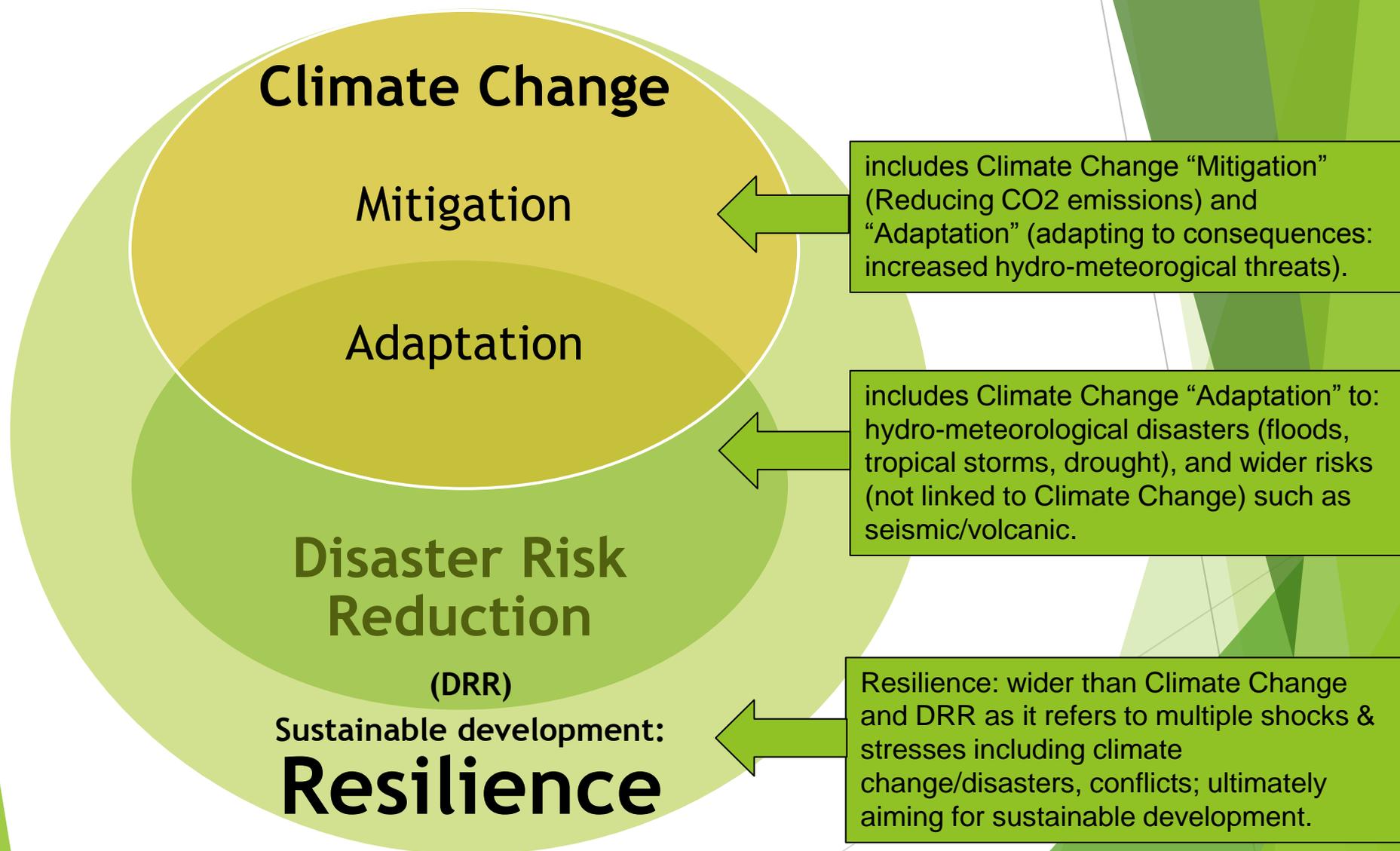
- ▶ Children are widely recognized as being the **most vulnerable to climate change**.

For example: by the end of the decade, up to 175 million children are likely to be affected every year by the kinds of disasters brought about by climate change.

- ▶ This needs to be translated in the inclusion of children as **beneficiaries of investments in climate change financing**. Priority sectors/interventions, can be identified according to specific contexts (e.g. education, Health, Nutrition, WASH).



# Climate Change, DRR & Resilience



# Children and Climate Change Mitigation

- ▶ A large part of the emission reductions to be achieved the coming decades will fall on the shoulders of today's children and the next generations. **Sustainable energy** is key to these emission reductions.
- ▶ Meanwhile many children in low and middle income countries have little to no access to energy at all, let alone sustainable energy. This is **undermining their health, education and well-being**.

For example, household air pollution largely caused by solid fuels is killing every year around **534,000 under 5 years old children**. Therefore, children should be specifically targeted for investments in sustainable energy.



# Children and Climate Change Adaptation

**Disaster Risk Reduction (DRR)** is the main strategy for adaptation to climate change. UNICEF is advancing DRR in 34 countries and promotes ‘child-centred DRR’, “for and with” children:

- **For children:** DRR Education at school, Nutrition surveillance and response systems, health system preparedness, protected water and sanitation sources, community child protection networks & risk informed planning.
- **With children:** Children can make a contribution to risk management (risk mapping in schools). Children can learn about risk and participate, are agent of change as vector of information within communities, and as future adults will create a culture of safety (e.g. Children’s Charter)



# Climate finance and Child Participation

- ▶ Today's children will bear the brunt of climate change impacts and **become responsible** for reducing greenhouse gas emissions.
- ▶ **Investments in climate finance should ensure children capacities, skills and knowledge** on climate change in order to be able to adapt to and mitigate climate change.
- ▶ **Children are agents of change** and need to be enabled to fulfill that role.
- ▶ Indicators on the effectiveness of climate finance should **measure children's participation in decision-making on climate finance** investments.



# Sustainable development and Climate Change/DRR

- ▶ UNICEF believes that development will not be sustainable unless the **resilience of systems, communities and children is strengthened.**
- ▶ UNICEF is actively advocating for **Climate Change/DRR, and conflict prevention & peace building** to be addressed in the post-2015 Development Agenda, contributing to the **resilience** of nations and communities.
- ▶ **Social services including Water, Sanitation and Hygiene (WASH), Health/Nutrition and Education** have a **vital role to play** in strengthening resilience to climate change.



# Experience from IDF & Education that could be applied to Climate Change

## IDF & Education Task Force

- ▶ UNICEF was part of the “**Task Force on Innovative Financing for Education**” set up by the Leading Group on IDF during its Seventh Plenary Session in Santiago, Chile, in January 2010.
- ▶ The Task Force involved representatives of UNESCO, UNICEF, the Global Partnership for Education (GPE), the European Commission, Brazil, Chile, Germany, the United Kingdom and Senegal, NGOs and private foundations.
- ▶ **The Task Force produced two Reports:**
  - ▶ “**2+3=8, Innovating in Financing Education**” (2010): an initial study of innovative financing mechanisms that could be used for education.
  - ▶ “**Innovative Financing for Education: Moving Forward**” (2012) highlights the urgent need to mobilize new resources to overcome inequalities in education and presents an in-depth analysis of certain mechanisms chosen in the first report.

# Experience from IDF & Education that could be applied to Climate Change

- ▶ Task Force Reports on IDF and Education have **created attention and awareness** (for instance: The United Nations 2010 MDG Summit outcome document reaffirmed that innovative financing was one of the solutions for achieving the MDGs by 2015 and noted the work of the Task Force on Innovative Financing for Education).
- ▶ However, **no specific global IDF mechanism for Education** have been developed, despite some stand alone attempts by UNESCO and UNICEF (for instance: Education pool funding «Education Transition Fund» in Zimbabwe).
- ▶ **Difficult to measure the impact** from Reports recommendations in the implementation of new IDF mechanisms.

# Experience from IDF & Education that could be applied to Climate Change

- ▶ Conversation about innovative financing of education is now taking place mostly at the **Global Partnership for Education (GPE)**: GPE is in the process of exploring ideas on IDF as part of the overall recommendations for the implementation of the 2012-2015 Strategic Plan.
- ▶ **Leadership by a strong multi-stakeholder forum** (Global Programme Partnership) that involves donors, civil society, developing countries, private sector and multilateral agencies is very important to ensure follow-up.
- ▶ Innovative Development Financing initiatives **take time to be developed/implemented**, IDF need a **continued approach** and follow-up from recommendations to implementation of IDF mechanisms.
- ▶ UNICEF has created an Inter-Divisional Task Force on IDF that **coordinates engagement in IDF** between all relevant Divisions: Programmes, Fundraising, Policy, Supply, etc.

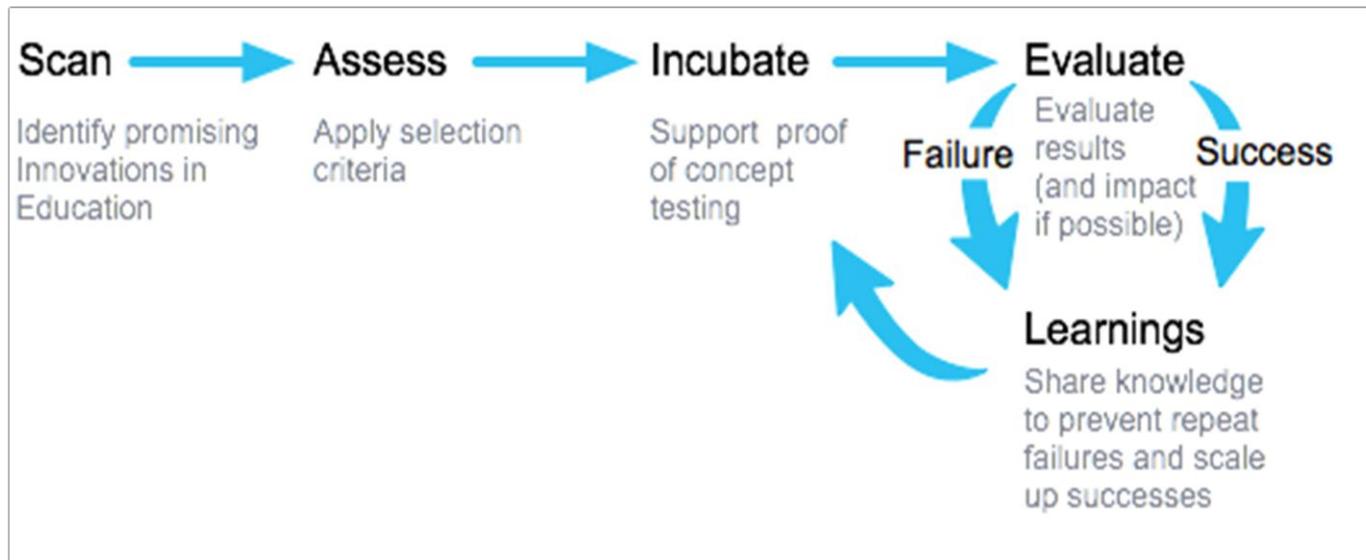
# Promoting “Innovative Spending” in Climate Change- The Education model

- ▶ In addition to “innovative sourcing”, “**innovative spending**” enables the **efficient use of available resources**.
- ▶ In the Education sector: UNICEF promotes innovations in spending focused on the most marginalized children (Equity dimension).
- ▶ Characteristics of an innovation in Education:
  - **Effectiveness:** improves Equity, learning outcomes, strengthens systems , and is measurable.
  - **Traction:** generates interest from stakeholders because it solves a real need in a simple way.
  - **Scale:** has the potential to work in other geographies (adaptation) and in larger numbers (programme growth).

It is important to look at innovative ways of spending resources on programming for climate change and sustainable development, in relevant development sectors, as part of the Post-15 Development Agenda.

# Promoting “Innovative Spending” in Climate Change -The Education model

- ▶ UNICEF has set up a process to support innovations in Education:



- ▶ Through this approach, UNICEF will systematically **identify and assess promising approaches** that can be mainstreamed with the joint support of governments, civil society and funders.
- ▶ A similar approach may be used for other sectors (Nutrition, WASH, Protection, etc.).

# UNICEF experience in Innovative Development Financing

UNICEF has been mostly engaged with IDF initiatives as follows:

- ▶ Acting as **implementing partner** of innovative financing mechanisms (Global Fund to Fight AIDS, Tuberculosis and Malaria , GAVI, others).
- ▶ Working as a **procurement or implementing partner** for alliances that benefit from innovative financing mechanisms (e.g. GAVI, UNITAID).
- ▶ **Conducting global policy advocacy and providing technical assistance** (for example, participating in the Leading Group on Innovative Financing and related Task Forces such as Education) or contributing to developing IDF mechanisms e.g. the pilot Advance Market Commitments-AMC project for pneumococcal vaccines.

# UNICEF position on Innovative Development Financing

UNICEF has developed:

- ▶ **A position statement on IDF:** *“UNICEF promotes, and subscribes to, innovative financing for development that is truly additional (to ODA), predictable (multi-year) and significant; is managed with full transparency and feedback to funders; is directed to development concerns that give concrete results for children and reduce inequities; and minimizes transaction costs for stakeholders.”*
- ▶ **Principles of engagement in IDF:** Do no harm. □ Support pro-poor and equity-focused instruments. □ Put the issue first, the tool second. □ Prove added value. □ Be clear about the UNICEF comparative advantage. □ Avoid conflicts of interest.
- ▶ **A “Reference Note on IDF”** for National Committees to advocate on IDF and engage in exploring IDF mechanisms.

# UNICEF current initiatives on Innovative Financing

- ▶ **IDF Lanscape Analyis** report, mapping IDF mechanisms that may be relevant for UNICEF to be applied to a wider range of sectors, other than health.

Current IDF initiative:

- ▶ Development of an Action Plan to support the future elaboration of a **pilot IDF project in the WASH sector** (to be presented to September 2014 UNICEF Global Management Team).