

Press Release

Luxembourg, 15 February 2023

EU's Global Climate Change Alliance: achievements fell short of ambitions

- The EU provided total funding of €729 million to help developing countries affected by climate change
- The initiative lacked sufficient focus on the needs of the most vulnerable

The Global Climate Change Alliance – launched by the EU in 2007 to support poor developing countries respond to climate change – did not live up to its promises. This is the message of a new report by the European Court of Auditors issued today. The auditors found little evidence to suggest that the initiative had increased countries' resilience to climate change. In terms of efficiency, completed actions had generally delivered their outputs, but sometimes at a high cost.

"We found that the Global Climate Change Alliance initiative had less of an impact than had been hoped for, and that the expected shift from capacity-building towards more concrete actions directly supporting the population was not systematic", said Hannu Takkula, the ECA member who led the audit. "We think that the European Commission should focus on those most affected by climate change and incorporate lessons learnt into both future climate change actions and future aid initiatives."

The Global Climate Change Alliance based its approach on two pillars: fostering dialogue and knowledge-sharing, and providing technical and financial support for adaptation, mitigation and disaster risk-reduction measures.

The auditors found that the initiative did not measure improvements in beneficiaries' situations, nor did it focus sufficiently on the needs of those most affected. Aid did not always reach the intended vulnerable recipients: for example, few actions included activities specifically addressing the needs of women, and some other activities were unaffordable for the poorest households. Successful pilot actions could also have been scaled up to enable more people to benefit.

During its entire lifespan, the Global Climate Change Alliance did not attract the expected additional funding from EU countries and the private sector. Despite this significant financing gap, the Commission never revised its initial ambitious objectives. Furthermore, in the second phase (Global Climate Change Alliance +, 2014-2020), the criteria used by the Commission to allocate money led to proportionally less support being allocated to the most vulnerable countries.

The purpose of this press release is to convey the main messages of the European Court of Auditors' special report. The full report is available at eca.europa.eu.

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The Commission did not sufficiently analyse the reasonableness of the budgeted costs of most of the actions examined by the auditors. For example, management costs of actions varied widely, and were particularly high in the Pacific region. There could have been savings with a more detailed analysis of the costs, the auditors conclude.

Awareness and visibility were also a problem. Although the initiative supported more than 80 countries, it was not well known amongst developing countries as well as in the EU. This was partly because the actions funded were not distinguishable from other EU actions addressing climate change in developing countries. The efficiency of the initiative was also affected by the complexity of its organisation, in particular the duplication of support facilities and funding streams.

Background information

The Global Climate Change Alliance initiative did not have its own budget line in the European Commission's accounting system, but was funded through the Development Cooperation Instrument and the European Development Fund. The total funding allocated to the initiative was €728.8 million, including contributions from EU countries: €308.8 million for the first phase (2007-2013) and €420 million for the second phase, the Global Climate Change Alliance Plus (2014-2020).

In 2020, the Commission decided not to continue the initiative for a further phase. During the 2021-2027 period, the Commission will fund actions tackling climate change in developing countries through thematic and geographical support under the Neighbourhood, Development and International Cooperation Instrument.

Special report 04/2023, "The Global Climate Change Alliance(+) – Achievements fell short of ambitions", is available on the <u>ECA website</u>.

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