# UNFAIR SHARE: Unequal climate finance to East Africa's hunger crisis

### **Executive Summary**

The stark reality of climate change has highlighted the financial obligations rich polluting nations, especially in the global North, owe communities and countries most impacted and now unprepared to deal with the unavoidable cost of the climate crisis. East Africa is one of the world's worst hit regions by climate change and is now experiencing its worst climate-induced extreme weather, fuelling an alarming hunger crisis, despite contributing almost nothing to global carbon emissions. Over 31.5 million people are currently facing acute hunger across Ethiopia, Kenya, Somalia, and South Sudan.

The devastating droughts in Ethiopia, Kenya, and Somalia, as well as floods in South Sudan, have costed the region a loss amounting to a staggering 15 to 30 billion dollars between 2020 and 2022-that is 2-4% of its annual GDP.<sup>1</sup> Farmers and pastoralists were exceptionally hit. Oxfam estimates that between 2021 and 2023 the four countries have lost approximately \$7.4 billion worth of livestock alone. Millions of already struggling people saw their animals die and lost their ability to grow, sell or eat nutritious food, plunging them into even greater poverty and hunger.

Despite these growing damages, a lot of the wealthy donor countries - some of the biggest polluters - have failed to pay East Africa its owed climate finance. In 2021, USD 2.4 billion<sup>2</sup> in climate-related development finance was provided to Ethiopia, Kenya, Somalia and South Sudan – an amount falling far short of the needs for countries for which climate change mitigation and adaptation is an existential imperative.

The climate crisis is making extreme weather – wet and dry – more severe and prolonged in East Africa, outpacing the humanitarian capacity to respond. While humanitarian assistance is crucial to save lives and help people recover from climatic shocks, less than 48% of the UN humanitarian appeal for 2022 and 2023 (\$7.81 billion of the \$16.3 billion) has been funded to date.

Ahead of the African Climate Summit, Oxfam calls for increased humanitarian and climate financing to address the urgent hunger crisis and foster resilience in East Africa. It also urges governments of high-income countries, especially from the Global North to fulfil their commitments under the Paris Climate Agreement and to also pay for the loss and damage East Africa has incurred as a result of climate change.

<sup>&</sup>lt;sup>1</sup> Africa Climate Policy Center, UNECA (2022) <u>Economic Growth, Development and Climate Change</u>: Summary for Policy Makers

<sup>&</sup>lt;sup>2</sup> OECD <u>2021</u> UNFCCC climate finance Reporting Data

# INTRODUCTION

The global climate crisis, caused in large part by greenhouse emissions<sup>3</sup> because of human reliance on fossil fuels for energy and manufacturing<sup>4</sup>, has led to a 1.1-degree Celsius increase in average temperature worldwide<sup>5</sup>. This has resulted in extreme weather patterns, leading to food insecurity and hunger for vulnerable populations, including for 31.5 million people in East Africa who are currently experiencing crisis levels or worse of hunger due to drought and flooding. Despite contributing the least to climate change, these countries are suffering the extreme hardship and economic losses which they can ill-afford. The paper argues for greater accountability from polluters to cover the costs of averting environmental and human damages and to support long-term development efforts to build climate resilience in affected communities.

#### What is the fair share owed to East Africa?

The fair share is about countries responsible for the climate crisis to accept responsibility to meet the cost of global efforts to address climate change and its impact on those most affected, based on their wealth and their share of pollution. Some countries, due to their higher income, wealth, development level, and access to technologies, have greater capacity to act. These countries also emit significant greenhouse gases and benefit from the infrastructure and institutions they have built as a result.

This share in part must be paid in terms of immediate humanitarian assistance to help save lives and meet people's urgent needs. But the needs of the most impacted countries require more than just humanitarian funding. Rich polluting nations owe these impacted communities and countries to pay for longer-term financing which supports these countries climate mitigation and adaptation efforts and break the cycle of hunger and poverty. To achieve climate justice, it is essential to consider the historical responsibility of each country as well as their capacity to pay. This aligns with the principles outlined in the UN Climate Convention of 'common but differentiated responsibility—with respective capabilities' and the 'right to sustainable development' for all nations.<sup>6</sup>

## **CLIMATE-FUELLED HUNGER IN EAST AFRICA**

Today, 31.5 million people across East Africa—in Ethiopia, South Sudan, Kenya, and Somalia are experiencing acute hunger<sup>7</sup>, including 83,350 facing starvation primarily because of climate-induced weather shocks made worse by conflict, and macroeconomic shocks. This is a 47% increase since the 2016/17 drought that pushed 21.37 million to acute hunger. Five failed rains have created the driest conditions in the Horn of Africa for 40 years, while successive years of flooding pummelled South Sudan.

<sup>7</sup> The <u>Integrated Food Security Phase Classification (IPC)</u> provides a common scale for classifying the severity and magnitude of food insecurity and acute malnutrition, which improves the rigour, transparency, relevance and comparability of food security and nutrition analysis for decision-makers. For the purposes of the report, crisis levels and worse rates of hunger have been included to highlight the gravity of the situation.

<sup>&</sup>lt;sup>3</sup> NASA Earth Observatory (2022) <u>Global Temperatures</u>

<sup>&</sup>lt;sup>4</sup> NASA (2022) <u>The Causes of Climate Change</u>

<sup>&</sup>lt;sup>5</sup> Intergovernmental Panel on Climate Change (2023) <u>Summary for Policymakers</u>. In: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change

<sup>&</sup>lt;sup>6</sup> See Article 3, United Nations (1992) <u>UN Framework Convention on Climate Change (UNFCCC)</u>

	Kenya	Ethiopia*	Somalia	South Sudan	Total
IPC 3+ in millions in 2017	3.5	8.5	3.3	6.07	21.37
IPC 3+ in millions in 2023	5.4	11.8	6.5	7.7	31.5
% increase	54%	39%	97%	27%	47%

Table 1: Data for Kenya, Somalia and South Sudan from Integrated Food Security Phase Classification (IPC); Ethiopia – USAID for 2017 and WFP Drought Response Plan 2023

Although many factors usually compound hunger, last year extreme weather has been the primary driver of food insecurity in Ethiopia, Kenya and Somalia<sup>8</sup>which spills over to South Sudan which is heavily reliant on Ethiopia and Kenya for its food supplies. Climate change has resulted in the rise in the global temperature by up to 1.2° Celsius <sup>9</sup> and made drought 100 times more likely<sup>10</sup> and contributing to the deterioration of food security in the region.

In addition, while climate change is experienced globally, certain populations bear a disproportionate burden of the loss and damage caused by climate change, particularly those relying on rain-fed agriculture, agro-pastoralism, and pastoralism. These livelihoods are heavily reliant on timely and predictable rainfall, making them highly vulnerable to climate shocks such as droughts and floods. East Africa, where agriculture is a cornerstone of the economy<sup>11</sup>, is particularly susceptible to these impacts. The agricultural sector accounts for over 30% of East Africa's GDP<sup>12</sup> and provides a livelihood for over 132 million people (64% of the total population) in the region (see table below).

Country	Population In millions (2022)	Rural population (2022) in millions	Population engaged in agriculture or pastoralism in millions	% of population engaged in rural or pastoral activities
Ethiopia	ia 123.4 95.42		80.2	65%
Kenya	54.03	38.36	32.4	60%
Somalia	17.6	9.27	14.6	83%
South Sudan	10.9 8.64		5.45	50%
TOTAL	205.93	151.69	132.65	64%

Table 2: Rural Population and estimated dependence on agricultural and pastoralistactivities (World Bank population data), Data on pastoral and agricultural livelihoods fromSupporting Pastoralism and Agriculture in Recurrent and Protracted CrisesWebsite

The ongoing droughts and floods in East Africa have inflicted severe devastation on crops and livestock in the region. In Ethiopia, 85 percent of cropland has been adversely affected, while in Somalia, 60 percent of cereal production has been decimated, resulting in significant

<sup>&</sup>lt;sup>8</sup> Global Report on Food Crisis (2023) <u>Regional Focus on the Intergovernmental Authority on Development (IGAD) Member</u> <u>States</u>

 <sup>&</sup>lt;sup>9</sup> World Weather Attribution (2023) <u>Human-induced climate change increased drought severity in Horn of Africa</u> and Intergovernmental Panel on Climate Change (2023) <u>Summary for Policymakers. In: Climate Change 2023</u>: Synthesis Report <sup>10</sup> World Weather Attribution (2023) <u>Human-induced climate change increased drought severity in Horn of Africa</u>

<sup>&</sup>lt;sup>11</sup> East African Community (2023) <u>Agriculture and Food Security</u>

<sup>&</sup>lt;sup>12</sup> IFAD (2023) East and Southern Africa

crop failures. In South Sudan, 75% of the land was under floodwater which meant no agricultural activities were possible in much of the country. The impact on livestock has also been catastrophic, with over 10 million animals perishing, including 6.8 million in Ethiopia, 2.6 million in Kenya, and more than 3.8 million in Somalia. This has led to massive economic losses, particularly among the most impoverished households.

These losses exacerbate poverty and inequality, particularly for rural communities, as their economic livelihoods and food security disappear. The situation creates a cycle of deepening impoverishment, as farmers are compelled to sell off or slaughter their remaining livestock to meet immediate survival needs or even abandon their ancestral lands. Without their vital assets, which were meant to provide income through breeding and milk production, these communities are left with no source of income, even if rainfall patterns improve. With no financial means to repurchase livestock, their ability to take advantage of future favourable climatic conditions diminishes, trapping them in a perpetual state of destitution.

The loss of income-generating assets not only results in immediate hunger and deprivation but also condemns these communities to protracted poverty unless there is urgent financial intervention which will help families not lose their livelihoods. Since 2011, communities in East Africa who have continuously lost their livelihoods due to extreme weather have been pushed further into hunger and poverty with insufficient recovery between climatic shocks. This has made them more vulnerable to consecutive shocks. It is therefore crucial to provide communities with the necessary resources and support to facilitate economic recovery and ensure their long-term well-being. Only through targeted financial assistance can we alleviate their suffering and empower them to overcome the challenges they face in rebuilding their livelihoods.

# CLIMATE INDUCED LOSSES IN EAST AFRICA

Estimates show that Africa suffers \$7-15 billion of losses every year due to climate change<sup>13</sup>. The loss and damage for the continent is projected to increase to up to 50 billion a year by 2040<sup>14</sup>. According to the United Nations Economic Commission for Africa (UNECA), the economic cost of climate change to Eastern Africa could be as high as 2-4% of the region's GDP each year (between USD 4 to 8 billion annually)<sup>15</sup> with forecasts beyond 2030 showing a strong expectation for even greater losses in the medium to long-term. The UNECA figures further mean that East Africa's losses account for more than half of the African continent's economic losses due to climate change.

The current drought and floods in East Africa have seen an even more pronounced spike in the losses compared to non-drought years. The drought in Ethiopia, Kenya and Somalia between 2021 to 2023 has resulted in a total of 12.95 million heads of livestock dying - including 6.85 million livestock in Ethiopia<sup>16</sup>, 2.6 million livestock in Kenya<sup>17</sup> and 3.5 million

<sup>&</sup>lt;sup>13</sup> African Development Bank (2022) <u>Press Release</u>: African Economic Conference opens with a strong call for adaptation measures to tackle the "looming climate change threat" to Africa

<sup>&</sup>lt;sup>14</sup> World Metrological Organisation (2021) <u>State of Climate in Africa 2021</u>

<sup>&</sup>lt;sup>15</sup> UNECA (2017) <u>Climate change impacts on Africa's economic growth</u>

<sup>&</sup>lt;sup>16</sup> OCHA (2023) Ethiopia: <u>Drought Situation Update #1</u>

<sup>&</sup>lt;sup>17</sup> Saya M. (2023) <u>2.6m livestock deaths reported due to prolonged drought – NDMA</u> (The Star; Kenya)

livestock in Somalia<sup>18</sup>. Oxfam estimates that the losses incurred from the death of the livestock amounts to over 7.4 billion dollars<sup>19</sup> in lost assets and livelihoods for millions of people living in poverty in rural areas. These people have seen their main economic assets (livestock) die and their ability to grow, sell and consume nutritious food disappear, pushing them into higher levels of poverty and widening the inequality gap.

Climate change-related hazards, such as floods, droughts, and conflicts, have also led to significant displacement and migration in Eastern Africa. According to the Internal Displacement Monitoring Centre (IDMC), over 2 million people have been displaced in the region due to climate change in the last two years.

It is essential to note that loss and damage caused by climate change cannot only be quantified economically; it also has significant social, health, and environmental impacts. The loss of lives, displacement, migration, food insecurity, and water scarcity have human costs that are not quantifiable in monetary terms.

## HUNGER IN EAST AFRICA IS CLIMATE INJUSTICE

At the heart of the East African hunger crisis is a profound climate injustice. Although climate change is a global problem, high-income polluting countries are responsible for the majority of gas emissions<sup>20</sup> and they are responsible for the majority of excess emissions too. People living in poverty in some of the least responsible regions for climate change or emissions like East Africa - are losing their lives and livelihoods to human-induced climate change to which they contribute very little. The G8 industrialized nations (listed below) - which together hold over half of the world's economy<sup>21</sup> - are responsible for 41% of global carbon emissions since 1850 but are responsible for 85% of excess (overshoot) of emissions<sup>22</sup>. The G8 countries are also all top-20 polluting countries<sup>23</sup>. Specifically, the USA was responsible for 40% of total national overshoot emissions, while the European Union nations (EU-28) were collectively responsible for 29%<sup>24</sup>.

Rank	Country	Cumulative CO2 Consumption Emissions 1850-2021 (GtCO2)	% of global share <sup>25</sup>
1	United States	509.1	20%
3	Russia	160.9	6%
6	Germany	88.5	4%
8	United Kingdom	74.3	3%
9	Japan	68	3%
10	Canada	68	3%
11	France	35.6	1%
16	Italy	23.5	1%

<sup>&</sup>lt;sup>18</sup> Maruf, H (2023) Report: 43,000 Died in 2022 Somalia Droughts (VOA, Somalia)

<sup>&</sup>lt;sup>19</sup> Estimates are based on Kenyan Government calculations which equates the average price of livestock and related livelihoods losses to USD 575 dollars per animal.

<sup>&</sup>lt;sup>20</sup> EDGAR (2022) CO2 emissions of all world countries

<sup>&</sup>lt;sup>21</sup> Source: Council on Foreign Relations: <u>The Group of 8 (G8) Industrialized nations</u>.

<sup>&</sup>lt;sup>22</sup> Hickel, J. (2020) The Lancet Planetary Health: "Quantifying national responsibility for climate breakdown: an equalitybased attribution approach for carbon dioxide emissions in excess of the planetary boundary"

<sup>&</sup>lt;sup>23</sup> Evans, S. (2021) Carbon Brief Analysis: Which countries are historically responsible for climate change?

<sup>&</sup>lt;sup>24</sup> ld. n22

<sup>&</sup>lt;sup>25</sup> Id. n23 Carbon Brief calculates that 2504 GtCo2 has been emitted due to fossil fuel as the cumulative total between 1851 and 2021

Total	1,027.9	41%

### Table 3: Historic Global Emissions<sup>26</sup> (Ranking from <u>Carbon Brief</u>)

In contrast, the combined emissions of South Sudan and Somalia – two of the ten poorest countries in the world - are less than 0.14.% of global carbon emissions<sup>27</sup>. The combined cumulative carbon emissions of Ethiopia, Kenya, Somalia and South Sudan for the 1851-2021 period- is around 0.5% of global carbon emissions. This is dwarfed by emissions of the top polluting nations by a wide margin.

## CLIMATE FUTURE OF EAST AFRICA

Climate change is already causing the Horn of Africa region to experience more frequent and severe weather events such as droughts, floods, and storms<sup>28</sup>. These climate-related shocks can have significant impacts on food security and nutrition, particularly in low-income and vulnerable communities. Climate models<sup>29</sup> suggest that the frequency and intensity of these weather events will increase in the coming decades.

Droughts have a significant impact on hunger in the Horn of Africa. They lead to reduced crop yields, livestock losses, and reduced access to water and food through unavailability and prices of basic commodities rising. As a result, households are forced to reduce their daily food intake, sell their assets, and engage in distress migration and child labour, increasing the risks of hunger, malnutrition, and poverty. In addition to droughts, floods can also damage crops and infrastructure, wash away topsoil and pollute water sources, leading to reduced food production, increased food prices, and displacement of households.

The Sixth Assessment Report from the Intergovernmental Panel on Climate Change (IPCC) predicts that surface run-off<sup>30</sup> in East Africa could increase by up to 30% as a result of global warming, leading to a 4.47% decline in staple food crops such as wheat by 2050<sup>31</sup>. The combination of flash flood droughts will put the agricultural system under intense stress with wheat and maize yields decreasing even while the population grows. The report also details the risk that a rise in temperatures of up to 1.7 degree Celsius, could force between 17 to 40 million people in sub-Saharan Africa (including East Africa) to migrate internally within the region by 2050. In a hotter 2.5-degree Celsius scenario, this number could reach up to 86 million people by 2050<sup>32</sup>.

Moreover, as the planet warms, changes in rain will create favourable conditions for mosquitoes to exponentially grow, putting up to 62 million people in east and southern Africa at risk of mosquito-borne diseases like malaria by the 2030s (1.5°C). Increased disease will have knock-on effect on people's productivity and livelihoods, fuelling more hunger<sup>33</sup>.

<sup>&</sup>lt;sup>26</sup> Evans, S. (2021) Carbon Brief Analysis: <u>Which countries are historically responsible for climate change?</u>

<sup>&</sup>lt;sup>27</sup> Global Carbon Atlas – <u>Emissions Data</u> (accessed on August 26, 2023)

<sup>&</sup>lt;sup>28</sup> World Metrological Organisation (2021) <u>State of Climate in Africa 2021</u>

<sup>&</sup>lt;sup>29</sup> World Weather Attribution (2023) <u>Human-induced climate change increased drought severity in Horn of Africa</u>

<sup>&</sup>lt;sup>30</sup> Rain, snow, sleet, or hail that reaches a surface stream without ever passing below the soil surface.

<sup>&</sup>lt;sup>31</sup> Intergovernmental Panel on Climate Change (2023) <u>Summary for Policymakers</u>. In: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change

<sup>&</sup>lt;sup>32</sup> ibid

<sup>&</sup>lt;sup>33</sup> Oxfam International (2023) <u>Water-Dilemmas-Cascading-Impacts-of-Water-Insecurity-Briefing-Paper-EN.pdf</u> [oxfamwash.org]

Addressing the impacts of climate change on hunger in the East Africa requires building resilience in agricultural systems, improving water infrastructure, diversifying livelihoods, promoting sustainable land management practices, and investing in social protection programs. Early warning systems, weather forecasting, and drought risk management strategies can also help communities prepare for and mitigate the effects of climate change on food security and nutrition. Empowering communities, especially women and girls, with access to education, health services, finance, and social safety nets, can also help them weather the impacts of climate change on their livelihoods and ensure their food security.

Unfortunately, the "yawning gap" between political ambition and development financing means that the world faces the very real risk of failing to deliver the Sustainable Development Goals (SDGs) by the deadline of 2030. Particularly SDG 2 goal of Zero Hunger is off-track, especially in East Africa<sup>34</sup> given the rise in hunger numbers.

#### Impact of climate-fuelled hunger on women

Hunger in the Horn of Africa disproportionately affects women and girls. Too often, women have to eat last and least, as mothers prioritise their children when food is limited. Girls are taken out of school when the family suffers economic hardships.

Many women and girls are also often responsible for tasks that require spending extended periods outdoors, such as farming and fetching water. In Somalia, Kenya and Ethiopia, this unpaid care work has increased during droughts, especially in rural areas.<sup>35</sup> Declining crop yields, changes in water availability, and more frequent heatwaves are increasing the unpaid workload of women and girls. This worsens economic and social marginalization of women.

For example, women and girls in sub-Saharan Africa often travel an average distance of 3.7 miles (6 kilometres) daily to collect water during a drought year.<sup>36</sup> In some cases, the distance can be much longer, reaching up to 6 miles (10 kilometres) to fetch water.

Women in Somalia told Oxfam that they have to spend up to 6 hours daily collecting water during the drought - compared to 1-2 hours in non-drought periods. This adds up to 42 hours a week of unpaid care work.

Women and girls also face risks of violence as a result of having to walk longer distances in treacherous journeys.

<sup>35</sup> United Nations Development Programme (2019) Somalia Drought Impact & Needs Assessment: <u>Synthesis Report (Vol. 1)</u>
<sup>36</sup> UNICEF(2016): Collecting water is often a colossal waste of time for women and girls

<sup>&</sup>lt;sup>34</sup> Atukunda P, Eide WB, Kardel KR, Iversen PO, Westerberg AC. (2021) <u>Unlocking the potential for achievement of the UN</u> <u>Sustainable Development Goal 2 - 'Zero Hunger'—in Africa: targets, strategies, synergies and challenges.</u> Food Nutr Res. 2021:

# DWINDLING HUMANITARIAN FUNDING FOR EAST AFRICA'S HUNGER CRISIS

In 2023, 41 million people across the four countries needed urgent humanitarian assistance because of the extreme weather made worse by other multiplying factors. Yet only 65% of the total \$7.5 billion United Nations Humanitarian appeal for the four East African countries was funded. Ethiopia, where over 10% of the population face severe hunger due to drought, received less than half of what it needed. Somalia, on the other hand, benefited from a significant injection of funds in the second half of the year when the risk of famine was announced, which helped avert a famine, although hunger as a whole continues to be a major challenge for around half of Somalia's population.

Country	Appeal 2022 in (billions)	Funding in 2022 (billions)	% of Appeal funded	Appeal 2023 in (billions)	Funding in 2023 (billions)	% of Appeal Funded
Ethiopia	\$3.3	\$1.6	49.5%	\$4	\$1.06	27%
Kenya Drought	\$0.29	\$0.2	61.8%	\$0.45	\$0.17	38%
Somalia	\$2.3	\$1.9	85.0%	\$2.6	\$0.90	35%
South Sudan	\$1.7	\$1.2	71.3%	1.7	\$0.78	46%
Total	\$7.6	\$4.9	65.4%	\$8.75	\$2.9	33%

Table 4: UN Humanitarian and Drought Response Appeal levels from the UNOCHA FinancialTracking Service(updated to 29 August 2023)

In 2023, the trends are even bleaker. With more than 43.5 million people in need of humanitarian assistance, of whom 31.5 are experiencing crisis levels of hunger, at the halfway point in the funding cycle, only 33% of the necessary funds had been raised by the end of August 2023, and the likelihood of sufficient funding in 2023 is fading. This is all the truer as needs increase as other crises add to the complexity of responses in these countries, including the recent conflict in Sudan, which is adding to the pressures on systems in South Sudan and Ethiopia. Moreover, by only providing the bare minimum of funding, there is only money to meet the most urgent needs, meaning that there is never enough to actually help people recover and become self-sufficient again. Because of this, each new crisis piles on top of people who were never able to recover from the previous one and the cycle of hunger and poverty continue beyond preventing famines.

The current failure to raise sufficient funds for East Africa is concerning especially in comparison to the response in 2017. The comparison of the numbers (below) between 2017 and 2023 is stark. Humanitarian need in 2023 is more than double compared to 2017, while USD 100 million less has been raised for 2023. Moreover, the amount raised per person in need has dropped sharply as well. While in 2017, USD 223.19 was raised per person<sup>37</sup> for the 20.7 million people in need, in 2023, only USD 53.56 has been raised for each of the 43.5 million people in need.

<sup>&</sup>lt;sup>37</sup> Total number of people in need divided by total funding commitments

East Africa drought response	Humanitarian Response in 2017	Humanitarian Response in 2023		
Number of people in need in million	20.7	43.5		
UN humanitarian appeal in USD billion	\$4.62 billion	8.74 billion		
Total raised in USD billion	\$3 billion	\$2.9 billion		
Percent funded of the UN appeal	65%	33%		
Per capita funds for the responses	USD 223.19	USD 53.56		

Table 5: Comparisons of the 2017 response with the 2023 response (from UNOCHA FTS accessed on 29 August 2023)

In 2017, humanitarian efforts to avert a famine in the Horn of Africa were widely hailed as timely, as donors finally heeded warnings, even though only 65% of the total \$4.6 billion UN appeal was funded. However, although a famine was averted in 2017, millions of peoples continued to suffer extreme hunger, and lacked the ability to recover from this climate-fuelled drought. Stripped of sufficient resources, millions of people were not ready to prepare for the next drought.

In comparison, the humanitarian response in 2023 has been largely inadequate to the immense needs on top of the fact that it also builds on a legacy of insufficient climate adaptation and food security investments needed to recover from the 2017 crisis. With 33% of funding which is meant to cover more than double the people in need compared to 2017, the humanitarian response is direly underfunded. Since 2021, the Ethiopian, Kenyan, Somali and South Sudanese governments have also been unable to dedicate the same priority to the climatic shocks as they had done in 2017 as the droughts and floods came at the back of several other internal and global priorities and crises including Covid-19. The largest donors also showed a general tendency to contribute less relative to the needed amount.

Donors	USD funded 2017 in millions	% of HRP needs	USD funded in 2023 in million	% of HRP needs
USA	1,244.10	26.6%	2,052.7	23.5%
European Commission	283.4	6.1%	173.60	2.0%
UK	416.60	8.9%	40.46	0.5%
CERF	88.80	1.9%	99.40	1.1%
Canada	71.90	1.5%	85.20	1.0%
Japan	59.07	1.3%	51.30	0.6%
Germany	235.10	5.0%	164.10	1.8%
Italy	10.04	0.2%	8.90	0.1%
France	6.48	0.1%	21.40	0.2%

Table 6: Top polluter's funding for Ethiopia, Somalia and South Sudan Humanitarian Response Plans and Kenya Drought Appeals in 2017 and 2023 in proportion to the total financial requirements<sup>38</sup>

<sup>&</sup>lt;sup>38</sup> The table aims to highlight how much of the total financial needs were covered by each of the donors that are also among the top polluting countries The total funding reported to the UN OCHA Financial Tracking Service for the 2017 and 2023 response for the four countries are added so that the total amount given to the four countries can be understood in proportion to the total amount needed. The expanded table sourced from OCHA's Financial Tracking Services is provided in Annex 1.

Today, the frequency and severity of climatic shocks in the Horn of Africa are increasingly outpacing the humanitarian system's ability to respond. This new reality requires a new integrated and cohesive global effort which goes beyond humanitarian UN appeals which tend to be underfunded, not only for East Africa but globally, where most UN appeals deliver around half of what is needed<sup>39</sup>.

According to the United Nations Development Programme, for every dollar spent on disaster risk reduction, seven dollars are saved in recovery<sup>40</sup>. Longer-term development finance and early warning systems for example must be scaled up to help vulnerable people in the Horn of Africa prepare for and cope with future climate shocks. An evaluation of the 2011 response, for example, resulted in a commitment by the International Community to long-term resilience, including the establishment of large resilience programs that were partially successful although were not scaled up sufficiently to withstand successive shocks like the region experience since 2021.

## **CLIMATE FINANCE IN EAST AFRICA**

High-income countries pledged to provide US\$100bn a year by 2020 climate change mitigation and adaptation to less wealthy countries. Oxfam estimates that in 2020 the real value of financial support specifically aimed at climate action was only around \$21bn to \$24.5bn – much less than officially reported figures suggest<sup>41</sup>. Even more shocking, the 100 billion is only a drop in the ocean of the money needed. Oxfam estimates that globally at least an additional \$27.4 trillion are needed between now and 2030 to fill financing gaps in health, education, social protection, and tackling climate change in low- and middle-income countries. That equates to an annual financing gap of \$3.9 trillion<sup>42</sup>.

In their Nationally Determined Contributions (NDCs) submitted under the Paris Agreement, Ethiopia, Kenya, Somalia and South Sudan have indicated financing needs of, on average, USD 53.3 billion annually from 2021 to 2030 to implement their NDCs and meet their 2030 climate goals<sup>43</sup>. The four East African NDC's are clear that a large proportion of the funding need to come from external sources especially emphasising their low emissions while highlighting the high level of impact climate change has in the countries. Ethiopia indicates that it will require 80% primarily from international climate finance sources<sup>44</sup> while Kenya has indicated it will need 87% of funding from these international climate finance sources<sup>45</sup>. Similarly, Somalia emphasises that "Financial support through multilateral and bilateral channels and sources will be critical to facilitate transparent and successful implementation of the NDC"<sup>46</sup>

<sup>&</sup>lt;sup>39</sup> Oxfam International (2022) Research: "<u>Footing the Bill</u>"

<sup>&</sup>lt;sup>40</sup> UNDP (2013) Issue Brief: <u>Crisis Prevention and Recovery</u> (last accessed 22 August 2023)

<sup>&</sup>lt;sup>41</sup> Oxfam International (2023) Media Briefing: <u>False Economy: Financial wizardry won't pay the bill for a fair and sustainable future</u>

<sup>&</sup>lt;sup>42</sup> ld.

<sup>&</sup>lt;sup>43</sup> This is the total Nationally Determined Contributions the countries have identified to implement their climate goals which will include both needs related to international public financial assistance and investment needs.

<sup>&</sup>lt;sup>44</sup> Ethiopia Updated Nationally Determined Contributions (2021)

<sup>&</sup>lt;sup>45</sup> Kenya Updated Nationally Determined Contributions (2021)

<sup>&</sup>lt;sup>46</sup> <u>Somalia Second Nationally Determined Contributions</u> (2021)

with South Sudan similarly emphasising the need for more grants and listing international financial sources as the main source of finance<sup>47</sup>.

Summary	Ins			
Recipient country	Loans (millions)	Equity & Other (millions)	Grant (millions)	Totals (millions)
Ethiopia	\$503.7	\$0.6	\$555.7	\$1060.0
Bilateral finance		\$0.6	\$379.1	\$379.7
MDB finance	\$503.7		\$124.4	\$628.2
Multilateral climate funds and other multilateral			\$10.5	\$10.5
Private donor			\$41.6	\$41.6
Kenya	\$588.0	\$14.2	\$242.8	\$846.2
Bilateral finance	\$35.5	\$14.2	\$195.7	\$245.8
MDB finance	\$539.7	\$0.9		\$540.6
Multilateral climate funds and other multilateral	\$12.8		\$9.7	\$22.5
Private donor			\$37.3	\$37.3
Somalia			\$360.8	\$360.8
Bilateral finance			\$96.7	\$96.7
MDB finance			\$238.5	\$238.5
Multilateral climate funds and other multilateral			\$19.6	\$19.6
Private donor			\$6.0	\$6.0
South Sudan	\$0.8		\$172.5	\$173.3
Bilateral finance			\$87.5	\$87.5
MDB finance			\$76.9	\$76.9
Multilateral climate funds and other multilateral	\$0.8		\$7.8	\$8.6
Private donor			\$0.3	\$0.3
Totals	\$1092.5	\$16.0	\$1331.8	\$2440.3

Table 7: OECD Dataset for 2021 climate-related development finance to Ethiopia, Kenya, Somalia and South Sudan.

While the needs are abundantly clear, annual climate finance flows in these four East African countries in 2021 stands at USD 2.440 billion according to the Organisation for Economic Cooperation and Development (DECD)<sup>48</sup>. From the same source, it is also clear that a large portion of the funding that is coming in is originating from the G7 countries, but the amounts coming in are falling far short from what is needed and what is expected. Moreover, 45% of the finance has been provided as loans, which carries the risk of onerous repayment cycles (to IFIs, bilateral and private creditors) which may prevent vulnerable countries from adapting to climate change or fully recovering from shocks, like climate-fuelled hunger crises.

Summary	Instruments							
Recipient country	Loans (millions)	Equity & Others (millions)	Grant (millions)	Totals (millions)	% of contribution			
Bilateral finance	\$35.5	\$13.9	\$759.1	\$809.7				
Australia			\$8.8	\$8.8	0.36%			
Austria			\$5.6	\$5.6	0.23%			
Belgium		\$1.2	\$4.6	\$5.8	0.24%			
Canada			\$14.4	\$14.4	0.59%			
Czech Republic			\$3.4	\$3.4	0.23%			
Denmark			\$65.5	\$65.5	2.68%			

<sup>47</sup> South Sudan Second Nationally Determined Contributions (2021)

<sup>&</sup>lt;sup>48</sup> OECD <u>2021</u> UNFCCC climate finance Reporting Data

Finland France Germany Hungary Iceland Ireland Italy Japan Korea	\$35.5	\$0.6 \$10.4	\$8.8 \$7.7 \$228.7 \$0.0 \$0.5 \$25.5	\$9.4 \$53.5 \$228.7 \$0.0 \$0.5	0.38% 2.19% 0.36% 0.00% 0.02%
Germany Hungary Iceland Ireland Italy Japan Korea	\$35.5	\$10.4	\$228.7 \$0.0 \$0.5	\$228.7 \$0.0 \$0.5	0.36% 0.00%
Hungary Iceland Ireland Italy Japan Korea			\$0.0 \$0.5	\$0.0 \$0.5	0.00%
Iceland Ireland Italy Japan Korea			\$0.5	\$0.5	
Ireland Italy Japan Korea					0.02%
Italy Japan Korea			\$25.5	005 5	
Japan Korea				\$25.5	1.04%
Korea			\$33.6	\$33.6	1.37%
	1	\$2.9	\$50.6	\$53.6	2.20%
Luxembourg			\$29.1	\$29.1	1.19%
Luxembourg			\$0.5	\$0.5	0.02%
Netherlands			\$87.1	\$87.1	3.57%
Norway			\$57.2	\$57.2	2.34%
Poland			\$0.8	\$0.8	0.03%
Slovak Republic			\$0.8	\$0.8	0.03%
Spain			\$3.4	\$3.4	0.14%
Sweden			\$39.5	\$39.5	1.62%
Switzerland			\$12.3	\$12.3	0.50%
United Kingdom			\$6.2	\$6.2	0.26%
United States			\$25.4	\$25.4	0.23%
MDB finance	\$1043.4	\$0.9	\$439.9	\$1484.2	
African Development Fund			\$78.7	\$78.7	3.22%
EU institutions (EIB)		\$0.9		\$0.9	0.04%
International Development Association	\$1043.4		\$361.2	\$1404.7	57.6%
Multilateral climate funds and other multilateral	\$13.6		\$47.6	\$61.2	
Food and Agriculture Organisation			\$1.5	\$1.5	0.06%
GEF Least Developed Countries Trust Fund (LDCF)			\$10.0	\$10.0	0.41%
Global Environment Facility General Trust Fund			\$12.9	\$12.9	0.53%
Global Green Growth Institute			\$0.0	\$0.0	0.00%
Green Climate Fund			\$20.0	\$20.0	0.82%
International Fund for Agricultural Development	\$13.6		\$3.2	\$16.8	0.69%
Private donor			\$85.2	\$85.2	3.49%
Totals	\$1092.5	\$16.0	\$1331.8	\$2440.3	

### Table 8: OECD 2021 Data for sources of funding to Ethiopia, Kenya, Somalia and South Sudan

Oxfam has also found that high-income countries have not only failed to deliver on their commitment, but also – as in previous years – generous accounting practices have allowed them to overstate the level of support they have actually provided. Instead of additional or new money, in many instances aid and climate or development finance are double counted<sup>49</sup>.

While private finance has a vital role to play in the global response to climate change, it should not be a substitute for public finance. Reliance on private finance over public to meet these financing goals will be challenging as it favours mitigation over adaptation. In the past, Oxfam also found the private finance favours higher income countries over lower income

<sup>&</sup>lt;sup>49</sup> Care (2022) <u>That's not new money - Assessing how much public climate finance has been "new and additional" to</u> <u>support for development</u> and Nelsen, A (2013) <u>EU admits double-counting climate finance and development aid</u> (accessed 31/08/2023)

countries<sup>50</sup>. It is therefore important to ensure a sufficient level of public finance be made available for climate adaptation in the coming years.

Having said that, the private sector in East Africa itself should be called upon to do more to help with ending extreme poverty which will go some way to making people less vulnerable to climate change. The wealth of the dollar millionaires (\$59.8bn) in the four countries in East Africa (Kenya, Ethiopia, Somalia, South Sudan) is \$14bn more than the entire governments' spending (\$45bn) for the four countries in the region. It is thought that these four countries need \$10.12bn (annual) to end extreme poverty in Kenya, Ethiopia and South Sudan, or just 17% of the wealth of the dollar millionaires in the region<sup>51</sup>.

## RECOMMENDATIONS

Those responsible for this Climate Crisis and the resulting climate-induced hunger must fulfil their binding obligations under the Glasgow Climate Pact to limit warming to below 1.5 degrees Celsius. Until then, people who are the least responsible for the climate crisis - women, men and children in East Africa - will continue to suffer preventable conditions and deaths from hunger. The world must end an economy designed to benefit a powerful few at the cost of the rest of us and together build a better world that cares for people and the planet. This starts with the biggest polluters paying for the climate crisis they've created, and for the costs of building a fairer future. We should aim for a new world where everyone has access to renewable energy; the most vulnerable people have social safety nets; jobs are paid fairly and don't jeopardize the future of our planet; indigenous knowledge and technology are combined to create new opportunities and beat poverty.

# On the occasion of the 2023 Africa Climate Summit, in recognition that not all countries bear the same level of responsibility for the climate crisis, the following recommendations are made:

- 1. Governments of high-income countries must pay their fair share of climate finance and honour their commitment to provide 0.7 of their Gross National Income to East African countries including the USD 8.74 billion needed to support for the humanitarian response in the four East African countries (Ethiopia, Kenya, Somalia, South Sudan), to save lives and livelihoods. This will enable these countries and communities at the frontline to start building back and preparing for the next climate shock.
- 2. The top polluting countries must pay their fair share of the climate finance to East Africa to help its governments scale up their climate mitigation and adaptation so they can help most impacted people to recover from climatic shocks. These funds should no longer be in the form of loans but as grants.
- 3. High-income polluting countries should commit to paying their fair share of the losses and damage suffered by East African countries. Estimates show that these polluters owe trillions to low-income countries, including in Africa. This finance will be crucial

<sup>&</sup>lt;sup>50</sup> Oxfam Issue Brief, (2013) <u>"Adaptation and the \$100 billion Commitment: Why private investment cannot replace public</u> <u>finance in critical climate adaptation"</u>

<sup>&</sup>lt;sup>51</sup> \*Wealth of dollar millionaires is bought from Wealth X; spending and population data from the IMF April 2023 <u>World</u> <u>Economic Outlook</u> but from the <u>Ministry of Finance</u> and <u>World Bank</u> for Somalia.\*The amount of money needed to end extreme poverty is calculated as follows: The Amount needed to end extreme poverty in one year = population\*poverty gap\*\$2.15\*365 days. Data from World Bank. (2023). Poverty and Inequality Platform (version 20230328\_2017\_01\_02\_PROD) [Data set]. World Bank Group. <u>https://pip.worldbank.org/</u>.

to support communities and countries to adapt to climate change; recover from damage and loss; and to transition to clean development.

Annex I (could you put this in landscape)

Donor s	USD Funded in 2017 (in millions)							USD Funded in 2023					
	Ethi opia	Ke nya	Som alia	SS D	Tota l	% of total require ments	Ethi opia	Ke nya	Som alia	SSD	Tot al	% of total require ments	
Total Req	1420	12 0	150 0	16 40	468 0		3994	45 2	259 9	169 9.9	874 4.9		
USA	350	89. 2	324. 9	48 0	1,24 4.10	26.6%	739	226 .3	608. 6	478. 8	2,05 2.7	23.5%	
Europe an Commi ssion	80.7	8.1	111. 6	83	283. 40	6.1%	60.3	2.7	40.4	70.2	173. 60	2.0%	
UK	63.5	18. 1	210. 8	12 4	416. 40	8.9%	2.06	7.3	15.8	15.3	40.4 6	0.5%	
CERF	28.5	11. 8	33	15. 5	88.8 0	1.9%	33.3	5.5	25	35.6	99.4 0	1.1%	
Canad a	8.77	4.2	27.5	31. 5	71.9 7	1.5%	38.1	6.2	23.7	17.2	85.2 0	1.0%	
Japan	5.77	1	28.3	24	59.0 7	1.3%	20.8	10. 6	14.4	5.5	51.3 0	0.6%	
Germa ny	53.4	9.9	100	71. 8	235. 10	5.0%	57	11. 2	55.4	37.5	161. 10	1.8%	
Italy	2	0.5 3	4.15	3.3 6	10.0 4	0.2%	6.6	0	2.3		8.90	0.1%	
France	1.4	0.5 6	3.42	1.1	6.48	0.1%	9.9	1.1	3.8	6.6	21.4 0	0.2%	

Sources from UNOCHA FTS Ethiopia 2017 Kenya 2017 Somalia 2017 SSD 2017

https://fts.unocha.org/appeals/588/donors?order=total\_funding&sort=desc https://fts.unocha.org/appeals/589/donors?order=total\_funding&sort=desc https://fts.unocha.org/appeals/528/donors?order=total\_funding&sort=desc https://fts.unocha.org/appeals/538/donors?order=total\_funding&sort=desc

Ethiopia 2023<a href="https://fts.unocha.org/appeals/1128/donors?order=total\_funding&sort=desc">https://fts.unocha.org/appeals/1128/donors?order=total\_funding&sort=desc</a>Kenya 2023<a href="https://fts.unocha.org/appeals/1137/donors?order=total\_funding&sort=desc">https://fts.unocha.org/appeals/1137/donors?order=total\_funding&sort=desc</a>Somalia 2023<a href="https://fts.unocha.org/appeals/1133/donors?order=total\_funding&sort=desc">https://fts.unocha.org/appeals/1133/donors?order=total\_funding&sort=desc</a>SSD 2023<a href="https://fts.unocha.org/appeals/1111/donors?order=total\_funding&sort=desc">https://fts.unocha.org/appeals/1111/donors?order=total\_funding&sort=desc</a>