

## Side Event

1 December 2023, 16:30 – 17:15

COP28 Blue Zone, UNEP Pavilion, Dubai, UAE

Special Session Convened at the 28th United Nations Climate Change Conference (COP28)

### UN Science-Policy-Business Forum on the Environment

#### SHAPING A CLIMATE-RESILIENT WORLD FOR THE 21<sup>ST</sup> CENTURY

#### Role of Industry & Finance in Supporting the Adaptation Agenda

##### Event Description:

This session, which comes at the conclusion of Industry Day is designed to offer comprehensive insights into the roles of industry and finance in driving the adaptation agenda and achieving environmental goals.

Through the discussions, the dialogue aims to highlight the interlinkages between climate objectives and SDGs, emphasizing the need for a coordinated approach involving policy action, financing, and industry innovation.

The insights from key sector representatives will contribute significantly to strategies for a sustainable and climate-resilient world in the 21st century, especially in the context of developing countries and LDCs.

This is a topic that needs to be more adequately explored, compared to the mitigation agenda. The session shines light on findings from 3 flagship UNEP reports: The Adaptation Gap Report, the Emissions Gap Report and the Production Gap Report, while inviting industry and finance leaders to provide their perspectives and commentary, with focus on integrated policy-industry-finance solutions for a world in crisis.

##### Scenario Note:

As we reach the conclusion of Industry Day, this session convened by UNSPBF underscores the urgency of adaptation strategies in response to climate risks, especially in developing countries. Today's dialogue explores how industry and finance sectors can synergistically help drive these efforts.

UNEP's 2023 Emissions Gap Report highlights that global emissions need to be reduced by 7.6% annually to meet the 1.5°C goal of the Paris Agreement. However, current commitments fall short, with the energy sector alone accounting for over 75% of greenhouse gas emissions.

The latest IPCC Report (2022-2023) emphasizes that developing countries and LDCs are disproportionately affected by climate change. The report calls for a sustainable structural transformation, noting that industry plays a critical role in this process through technological innovation and sustainable practices.

The 2023 Production Gap Report reveals that countries plan to produce more than double the amount of fossil fuels by 2030 than what is consistent with limiting warming to 1.5°C. This gap signals a dire need for industry transformation towards renewable energy.

At the same time, UNEP in its 2023 Adaptation Gap Report points out that the annual adaptation costs in developing countries are estimated to be in the range of USD 70 billion, projected to reach USD 140-300 billion by 2030. Industries and financial institutions must play a pivotal role in bridging this finance gap.

More than ever before, the need for Foreign Direct Investment (FDI) in green sectors to support sustainable structural transformation in developing countries and LDCs is of paramount importance. Global FDI flows increased by 30% in 2021, reaching USD 1.6 trillion, but the distribution remains uneven, with developing countries receiving a smaller share.

**Role of Industry:** The role of industries in reducing emissions and supporting sustainable practices is crucial. The World Economic Forum (WEF) emphasizes the need for industries to integrate ESG (Environmental, Social, and Governance) criteria into their operations to achieve the SDGs and climate objectives.

**Role of Finance and Sustainable Development:** The World Bank stresses that achieving the SDGs requires an annual investment of USD 2.6 trillion in developing countries, with a significant portion needed for climate-related adaptation and mitigation strategies.

**For more information, please contact:**

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**About the UN Science-Policy-Business Forum on the Environment (UNSPBF):**

The UN Science-Policy-Business Forum on the Environment is the United Nations' premier, fastest-growing multi-sector convening platform on the environment, encouraging 'Technology, Partnership and Integrated Solutions for Nature'.

The Forum is a catalyst for nature-positive solutions and works towards a fairer, more equitable world. It builds on the power of partnership to scale up solutions, ones that are driven by advances in science and technology, empowering policies, and innovative financing. It informs powerful global processes including the UN Environment Assembly, the highest-level decision-making body on the environment.

In August 2023, the launch of SPBF in the Africa region took place in Addis-Ababa, Ethiopia as part of the 19th Ordinary Session of the African Ministerial Conference on the Environment (AMCEN).

In October 2023, the Forum convened its Second Regional Mechanism in Asia-Pacific in conjunction with the 5th Session of the Forum of Ministers and Environment Authorities, hosted by the Republic of Sri Lanka.

For more information please visit: <https://un-spbf.org/>