

# Open Public Consultation: New EU Strategy on Adaptation to Climate Change

Fields marked with \* are mandatory.

## Introduction

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### Current context

The [European Green Deal](#) announces that the European Commission will adopt a new, more ambitious EU Strategy on Adaptation to Climate Change, as climate change will continue to create significant stress in Europe despite mitigation efforts.

Recent analysis by the European Commission through the [PESETA project](#) refines the projected impacts of climate change on the Union and beyond, as well as some of the benefits of adaptation measures. This analysis highlights the need for more ambitious action on adaptation.

In order to support the development of the new EU Adaptation Strategy, the European Commission is seeking stakeholder views and feedback, in line with the [Better Regulation Guidelines](#), including this open public consultation. Your responses to this questionnaire will be analysed and feed into the policy design process.

In parallel to this consultation, two other consultations are relevant to EU adaptation action: for the [European Climate Pact](#) and the [Renewed Sustainable Finance Strategy](#).

### Objective of this stakeholder consultation

The aims of the consultation are:

- To give all relevant stakeholders the opportunity to inform policy development
- To gather stakeholder opinions on policy options and their possible impacts
- To identify triggers of behavioural and institutional changes to support the take-up of adaptation measures and practices.

Before answering the questionnaire, please read the [background document](#) indicating the broad context and possible directions of development.

### Guidance on the questionnaire

Thank you for taking the time to complete this questionnaire – your inputs will feed into the development of the new EU Adaptation Strategy and are much valued. The questionnaire is divided into five sections:

- Introductory questions about you, including information on data processing and privacy
- General questions about your familiarity with the current policy context

- Specific questions related to the potential actions of the new EU Adaptation Strategy
- In-depth questions on a set of thematic areas
- A final closing question giving you the opportunity to provide any supporting information.

## About you

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### \* Language of my contribution

- Bulgarian
- Croatian
- Czech
- Danish
- Dutch
- English
- Estonian
- Finnish
- French
- Gaelic
- German
- Greek
- Hungarian
- Italian
- Latvian
- Lithuanian
- Maltese
- Polish
- Portuguese
- Romanian
- Slovak
- Slovenian
- Spanish
- Swedish

### \* I am giving my contribution as

- Academic/research institution
- Business association
- Company/business organisation

- Consumer organisation
- EU citizen
- Environmental organisation
- Non-EU citizen
- Non-governmental organisation (NGO)
- Public authority
- Trade union
- Other

\* First name

Richard

\* Surname

KLEIN

\* Email (this won't be published)

richard.klein@sei.org

\* Organisation name

*255 character(s) maximum*

Stiftelsen The Stockholm Environment Institute

\* Organisation size

- Micro (1 to 9 employees)
- Small (10 to 49 employees)
- Medium (50 to 249 employees)
- Large (250 or more)

Transparency register number

*255 character(s) maximum*

Check if your organisation is on the [transparency register](#). It's a voluntary database for organisations seeking to influence EU decision-making.

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\* Country of origin

Please add your country of origin, or that of your organisation.

- Afghanistan
- Åland Islands
- Albania
- Algeria
- American Samoa
- Andorra
- Angola
- Anguilla
- Antarctica
- Antigua and Barbuda
- Argentina
- Armenia
- Aruba
- Australia
- Austria
- Azerbaijan
- Bahamas
- Bahrain
- Bangladesh
- Barbados
- Belarus
- Belgium
- Djibouti
- Dominica
- Dominican Republic
- Ecuador
- Egypt
- El Salvador
- Equatorial Guinea
- Eritrea
- Estonia
- Eswatini
- Ethiopia
- Falkland Islands
- Faroe Islands
- Fiji
- Finland
- France
- French Guiana
- French Polynesia
- French Southern and Antarctic Lands
- Gabon
- Georgia
- Germany
- Libya
- Liechtenstein
- Lithuania
- Luxembourg
- Macau
- Madagascar
- Malawi
- Malaysia
- Maldives
- Mali
- Malta
- Marshall Islands
- Martinique
- Mauritania
- Mauritius
- Mayotte
- Mexico
- Micronesia
- Moldova
- Monaco
- Mongolia
- Montenegro
- Saint Martin
- Saint Pierre and Miquelon
- Saint Vincent and the Grenadines
- Samoa
- San Marino
- São Tomé and Príncipe
- Saudi Arabia
- Senegal
- Serbia
- Seychelles
- Sierra Leone
- Singapore
- Sint Maarten
- Slovakia
- Slovenia
- Solomon Islands
- Somalia
- South Africa
- South Georgia and the South Sandwich Islands
- South Korea
- South Sudan
- Spain

- Belize
- Benin
- Bermuda
- Bhutan
- Bolivia
- Bonaire Saint Eustatius and Saba
- Bosnia and Herzegovina
- Botswana
- Bouvet Island
- Brazil
- British Indian Ocean Territory
- British Virgin Islands
- Brunei
- Bulgaria
- Burkina Faso
- Burundi
- Cambodia
- Cameroon
- Canada
- Cape Verde
- Cayman Islands
- Central African Republic
- Ghana
- Gibraltar
- Greece
- Greenland
- Grenada
- Guadeloupe
- Guam
- Guatemala
- Guernsey
- Guinea
- Guinea-Bissau
- Guyana
- Haiti
- Heard Island and McDonald Islands
- Honduras
- Hong Kong
- Hungary
- Iceland
- India
- Indonesia
- Iran
- Iraq
- Montserrat
- Morocco
- Mozambique
- Myanmar /Burma
- Namibia
- Nauru
- Nepal
- Netherlands
- New Caledonia
- New Zealand
- Nicaragua
- Niger
- Nigeria
- Niue
- Norfolk Island
- Northern Mariana Islands
- North Korea
- North Macedonia
- Norway
- Oman
- Pakistan
- Palau
- Sri Lanka
- Sudan
- Suriname
- Svalbard and Jan Mayen
- Sweden
- Switzerland
- Syria
- Taiwan
- Tajikistan
- Tanzania
- Thailand
- The Gambia
- Timor-Leste
- Togo
- Tokelau
- Tonga
- Trinidad and Tobago
- Tunisia
- Turkey
- Turkmenistan
- Turks and Caicos Islands
- Tuvalu

- Chad
- Chile
- China
- Christmas Island
- Clipperton
- Cocos (Keeling) Islands
- Colombia
- Comoros
- Congo
- Cook Islands
- Costa Rica
- Côte d'Ivoire
- Croatia
- Cuba
- Curaçao
- Cyprus
- Czechia
- Democratic Republic of the Congo
- Denmark
- Ireland
- Isle of Man
- Israel
- Italy
- Jamaica
- Japan
- Jersey
- Jordan
- Kazakhstan
- Kenya
- Kiribati
- Kosovo
- Kuwait
- Kyrgyzstan
- Laos
- Latvia
- Lebanon
- Lesotho
- Liberia
- Palestine
- Panama
- Papua New Guinea
- Paraguay
- Peru
- Philippines
- Pitcairn Islands
- Poland
- Portugal
- Puerto Rico
- Qatar
- Réunion
- Romania
- Russia
- Rwanda
- Saint Barthélemy
- Saint Helena Ascension and Tristan da Cunha
- Saint Kitts and Nevis
- Saint Lucia
- Uganda
- Ukraine
- United Arab Emirates
- United Kingdom
- United States
- United States Minor Outlying Islands
- Uruguay
- US Virgin Islands
- Uzbekistan
- Vanuatu
- Vatican City
- Venezuela
- Vietnam
- Wallis and Futuna
- Western Sahara
- Yemen
- Zambia
- Zimbabwe

**\* Publication privacy settings**

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

**Anonymous**

Only your type of respondent, country of origin and contribution will be published. All other personal details (name, organisation name and size, transparency register number) will not be published.

**Public**

Your personal details (name, organisation name and size, transparency register number, country of origin) will be published with your contribution.

I agree with the [personal data protection provisions](#)

## Questions about climate change, the 2013 EU Adaptation Strategy, and recent policy developments

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This section seeks to gather information on your awareness of climate change impacts, general knowledge of the [2013 EU Adaptation Strategy](#) and recent policy developments.

### Climate change impacts

Climate change manifests itself in various types of weather that disrupts whole countries, regions, and the lives of citizens in many different ways socially, environmentally and economically. Therefore, it is important to reflect throughout this survey on your experiences with, and knowledge of, climate change impacts and be as illustrative as possible.

In your place of residence, have you experienced unusually frequent or severe events that could be attributed to climate change?

	Yes	No	Do not know
Abnormally warm overall temperatures/droughts during one or more seasons	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Heat waves causing health problems and death among the vulnerable (elderly, sick)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Restrictions on water availability due to prolonged drought	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disappearance of glaciers or long-lasting snowfields	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Forest disturbance (e.g. forest fires, pest outbreaks)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
River and coastal floods	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Flash floods or landslides from extremely heavy rain	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Seaside storm surges	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Coastal erosion	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Intrusion of seawater in freshwater aquifers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Extreme wind (100 km/h or more)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Appearance/gradual shift of species (insects, plants, fish etc.) associated with changing climates	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Seasonal shifts (e.g. less snow, early spring)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Severe crop losses caused by extreme weather conditions (drought, heavy rains, storms, etc.)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Emergence of tropical diseases that are otherwise not present in your area	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

**\* Please specify:**

*300 character(s) maximum*

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In your place of living, are you aware of any of the following actions which have been implemented recently with the intention to prepare for the likely effects of climate change?

	Yes	No	Do not know
Reinforcement of infrastructure (transport, energy, communication networks) to better withstand natural disasters like floods, heatwaves etc.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Preparation for floods (e.g. dykes, designated flood plains, restrictions in flood risk areas etc.)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Adaptation of agriculture to the changing climate (e.g. water efficient irrigation, drought-resistant crops)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Heat wave action plans (e.g. early warning systems, late opening of parks, water dispensers in public area)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase of green areas in towns to cope with heatwaves / floods	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Encouragement of water saving and reuse	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Efforts to prevent forest damage from heatwaves, drought, pests, fires, or storms (e.g. awareness raising campaigns, forest management, preventive infrastructure)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reinforcement and protection of the seacoast (e.g. seawalls, sand replenishment)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Early warning systems for natural disasters	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communication to the public about the need to adapt to climate change	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Awareness raising on the availability of insurance options against climate change damage	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

\* Please specify:

*300 character(s) maximum*

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## The 2013 EU Adaptation Strategy and recent policy developments EU policies

The current EU Adaptation Strategy was adopted in 2013 and was evaluated in 2018 to assess its effectiveness, efficiency, relevance, EU added value and coherence.

To what extent are you familiar with the following?

0 – Not familiar at all / 5 – Very familiar

	0	1	2	3	4	5	Do not know
* The <a href="#">2013 EU Adaptation Strategy</a>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* The results of the <a href="#">evaluation</a> of the Strategy, completed in 2018	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				

Please rate the following as how important is it for the new EU Adaptation Strategy to be aligned with the following EU and international policies?

0 – Not important at all / 5 – Very important

	0	1	2	3	4	5	Do not know
<a href="#">Paris Agreement</a>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
<a href="#">Sendai Framework for Disaster Risk Reduction</a>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
<a href="#">UN Sustainable Development Goals</a>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
<a href="#">UN Convention on Biological Diversity</a>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<a href="#">European Green Deal</a>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
<a href="#">EU Civil Protection Mechanism</a>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

## Specific questions on potential actions of the new Strategy

Climate change is evident across and beyond European regions, and in many sectors important to our society. It is also increasingly complex and affecting all citizens' quality of life in far-reaching ways, including

the recovery from the Covid-19 crisis, which is an opportunity to “build back better”. Therefore, the European Commission seeks to gather insight into the challenges, objectives, and priorities for the new Strategy. The following section gathers feedback on these elements.

## Challenges

The following questions will support the problem definition of the EU Adaptation strategy and its relevance for the design of initiatives with EU added value for society.

To what extent do you agree that the following drivers are important for a new EU adaptation strategy?

0 – Not important at all / 5 – Very important

	0	1	2	3	4	5	Do not know
* Growing speed of climate change impacts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Unclear distribution of responsibilities between levels of governance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Insufficient public awareness of the need to adapt to climate change	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Lack of cost-effective solutions and skills to adapt to climate change	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Slow adoption of local adaptation strategies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Insufficient private sector investment and action on adaptation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Insufficient public finance for adaptation to climate change	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Lack of interest in climate impacts in some Member States or regions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Insufficient science/knowledge on climate risk assessment for adaptation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

\* Please specify:

*300 character(s) maximum*

Transboundary, systemic risks of climate change on Europe

To what extent do you agree that the following problems are important in preventing adaptation action in the EU?

0: Not at all / 5: Completely agree

	0	1	2	3	4	5	Do not know
* The 2013 EU Adaptation Strategy is predominantly focused on the EU.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* The alignment between the EU Adaptation Strategy and international policy developments is unclear.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* The implications of climate impacts in third countries on the EU are not taken into consideration.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Agreement on principles, measurable targets, and requirements for adaptation is limited and affected by uncertainty at decision-making levels.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Implementation of adaptation strategies and plans is weak.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Mechanisms and indicators to monitor and report on the implementation of adaptation strategies and action should be strengthened.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Knowledge of climate impacts and potential responses is not sufficiently adjusted to a local scale (nor sufficiently known or available).	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Appropriate methodologies, indicators and other links integrating disaster risk reduction and adaptation are lacking.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Financial support for adaptation to climate change is insufficient.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Businesses and the financial sector (in particular, but not limited to, the insurance sector) are not appropriately involved in adaptation efforts.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## Objectives, actions and potential impacts for the new EU Adaptation Strategy

The questions below address the objectives setting which will link the analysis of the adverse effects from climate change to the options for the policy response. The objectives will set the level of policy ambition, fix the yardsticks for comparing policy options and determine the criteria for monitoring and evaluating the implementation of the new EU Adaptation Strategy.

To what extent do you agree with the proposed new objectives of an EU Adaptation Strategy, as stated below?

0 – Not at all / 5 – Completely

	0	1	2	3	4	5	Do not know
* To help make the EU a climate-resilient society, adapted to the unavoidable impacts of climate change, with reinforced adaptive capacity and minimal vulnerability.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Increase focus on Solutions (in addition to understanding)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Increase focus on Innovation (in addition to research)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Increase focus on Implementation (in addition to planning)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Increase focus on Prevention (in addition to ex-post action)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
Other	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				

\* Please specify:

*300 character(s) maximum*

Increase focus on Policy Coherence

To what extent do you agree with the following statements?

0 – Not at all / 5 – Completely

	0	1	2	3	4	5	Do not know
* The EU should support <b>Member State level</b> action on adaptation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* The EU should support <b>regional level</b> action on adaptation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* The EU should support <b>local level</b> action on adaptation.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* The EU should support <b>private sector</b> action on adaptation.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* The EU should support <b>citizen</b> action on adaptation.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* The EU should support <b>international</b> action on adaptation.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* The EU should support <b>non-state actors'</b> action on adaptation.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

To what extent do you agree that the actions of the [2013 EU Adaptation Strategy](#), as stated below, should be expanded?

	Agree, action should be retained in current form	Agree, action should be retained and reinforced	Disagree, action should be discontinued	Do not know
Action 1: Encourage all Member States to adopt comprehensive adaptation strategies	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Action 2: Provide LIFE funding to support capacity building and step up adaptation action in Europe.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Action 3: Introduce adaptation in the <a href="#">Covenant of Mayors</a> framework and support climate resilience of cities	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Action 4: Bridge climate change adaptation knowledge gaps	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Action 5: Further develop <a href="#">Climate-ADAPT</a> as the 'one-stop shop' for adaptation information in Europe	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Action 6: Facilitate the climate-proofing of the Common Agricultural Policy (CAP), the Cohesion Policy and the Common Fisheries Policy (CFP)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Action 7: Ensuring more resilient infrastructure	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Action 8: Promote insurance and other financial products for resilient investment and business decisions	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

To what extent do you agree that further action for sustainable adaptation to climate change is needed within the new Strategy to address the following sectors?

0: Not at all / 5: Completely agree

	0	1	2	3	4	5	Do not know
* Agriculture	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Ecosystems (e.g. forests, marine and coastal ecosystems, wetlands)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Health (human and plant health)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Inclusion and cohesion	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				

* Energy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Water	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Insurance and finance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Construction	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Transport	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
Other	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				

\* Please specify:

*300 character(s) maximum*

International trade and supply chains

## How would you rate the following potential actions for a new EU Adaptation Strategy?

0 – Not important at all / 5 – Very important

	0	1	2	3	4	5	Do not know
* Supporting resilience investments and natural disaster insurance penetration through EU and Member State policies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Helping to identify health and/or social risks linked to climate change at an early stage by developing an observatory of social/health vulnerability.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Increasing infrastructure resilience through an extended use of EU climate proofing guidance based on the latest IPCC reports and scientific findings.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Supporting a more open access to climate loss and disaster risk data from private and public sources, to allow all actors to take an active role in adaptation action and to help integrate climate risks in decision-making.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* A greater focus on innovative adaptation solutions, including through the <a href="#">Horizon Europe mission</a> on Adaptation to Climate Change, including Societal Transformation.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Supporting the resilience of agriculture and forest ecosystems e.g. through monitoring of ecosystem vegetation changes, plant health and emerging pests and diseases, and better exploitation of existing EU plant and forest genetic resources.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
*							

Providing tailored adaptation guidance and peer-to-peer knowledge exchange to public authorities and non-state actors.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Strengthening the climate risk and vulnerability assessment at EU level, including on the EU outermost regions.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Increase private investment in adaptation via increased public-private investment opportunities or incentives through e.g. the EU Taxonomy or the EU Green Bond Standard.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**\* Please specify:**

*300 character(s) maximum*

- Prevent unsustainable investments and policies that increase climate risk and vulnerability, in particular concerning infrastructure development and trade policy.
- Safeguard justice in adaptation decisions, including for those in third countries who may be affected by EU adaptation action.

**How important is it for a new EU Adaptation Strategy to achieve the following impacts?**

0 – Not important at all / 5 – Very important

	0	1	2	3	4	5	Do not know
* Increased financial and economic resilience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Closing the climate protection gap (e.g. increasing insurance coverage)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* A just adaptation and just transition (access to essential services)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Climate and risk proofing of infrastructure and investments	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Incorporating climate risk management into fiscal frameworks	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Preventing climate risks	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Improved health, social cohesion and resilience	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>				
* Avert, minimise and address population displacement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Enhancing the resilience of the agri-food system to climate change	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
*							

Healthier ecosystems with improved resilience to climate impacts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Enabling climate-informed decisions by citizens	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>				

## In-depth thematic questions

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In order to complement overarching views on climate adaptation in the EU, we are also seeking targeted insights in relation to a set of thematic areas. Respondents are asked to select their area(s) of interest first and will then be presented with specific questions.

Please select sectors or topics of interest from the list below. For each option selected you will be taken to a short set of questions on issues specific to this topic.

- Finance and insurance (climate protection gap)
- Agriculture and forests
- Freshwater
- Ocean ecosystems, coastal areas and the blue economy
- Policy support for local authorities and other non-state actors
- None

## Closing questions

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Finally, you have the opportunity to provide additional information.

Please provide any further information that you believe would be useful for preparing the EU's new Adaptation Strategy.

*1000 character(s) maximum*

Climate change impacts around the world are already creating cascading risks that intersect with trade patterns and international supply chains. These risks can reverberate across the global economy and pose a growing challenge for EU Member States. The EU is well placed to support Member States in identifying, managing and reducing transboundary climate risks by developing innovative governance mechanisms; creating common methodologies and guidance; fostering cross-sector and international cooperation; and harnessing new strategic partnerships. Addressing transboundary climate risks fits well with the European Green Deal and the EU's COVID-19 recovery plan, which aim to create a more sustainable, inclusive and climate-resilient economy. The EU Adaptation Strategy and the Trade Policy Review present important opportunities to build a global European economy resilient to transboundary climate risks, in recognition of our interdependent world. See recommendations in the attached file.

If appropriate, please upload concise position papers or policy briefs that express the position or views of yourself or your organisation.

- Yes

No

## Upload here

The maximum file size is 1 MB

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

**37776646-2b4f-48e4-ac79-84cbf58dbdb1/20ahklb\_awb\_strongsqueeze.pdf**

\* If you opted to upload a position paper of your organisation, please include a short summary of the document.

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The attached policy brief was written following the seminar “Climate-Resilient Trade and Production”, held on 9 July 2020. The seminar involved 45 representatives from 17 EU Member States and various European and international organisations. It was organised by the Stockholm Environment Institute on behalf of Adaptation Without Borders, in collaboration with Horizon 2020 project CASCADES. The seminar was co-hosted by the Netherlands Ministry of Infrastructure and Water Management and the European Commission, DG Climate Action.

The brief recommends to increase the scope of the EU Adaptation Strategy to include transboundary climate risks as a major driver of climate change impacts in Europe. It also recommends to establish concrete technical and financial mechanisms in the EU Adaptation Strategy to help Member States to manage transboundary climate risks. In addition, the brief contains recommendations for EU Member States and the EU Trade Policy Review.

## Background Documents

[EU Adaptation Strategy blueprint](#)

## Contact

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## Climate-Resilient Trade and Production: The Transboundary Effects of Climate Change and Their Implications for EU Member States

### KEY MESSAGES

- Climate change impacts around the world are already creating cascading risks that intersect with trade patterns and international supply chains. These risks can reverberate across the global economy and pose a growing challenge for EU Member States.
- Several European countries have conducted assessments of transboundary climate risks but have yet to develop policy responses based on the resulting insights. This is a complex task, involving a wide range of public and private actors, within and outside the EU. Three key priorities should guide decision-making:
  - *effectiveness* in reducing risk;
  - a clear designation of *responsibility*; and
  - *fairness* in the distributional impacts of the policies' effects.
- The EU is well placed to support Member States in identifying, managing and reducing transboundary climate risks by developing innovative governance mechanisms; creating common methodologies and guidance; fostering cross-sector and international cooperation; and harnessing new strategic partnerships.
- Addressing transboundary climate risks fits well with the European Green Deal and the EU's COVID-19 recovery plan, which aim to create a more sustainable, inclusive and climate-resilient economy. The EU Adaptation Strategy and the Trade Policy Review present important opportunities to build a global European economy resilient to transboundary climate risks, in recognition of our interdependent world.

COVID-19 has revealed with startling clarity the vulnerabilities inherent in a globalised world, including how risks can leap across sectors and national borders, with profound political, economic and social consequences. European businesses and consumers today rely heavily on complex supply chains and just-in-time production and delivery, which can be disrupted by shocks, compound events, and long-term shifts elsewhere in the world.

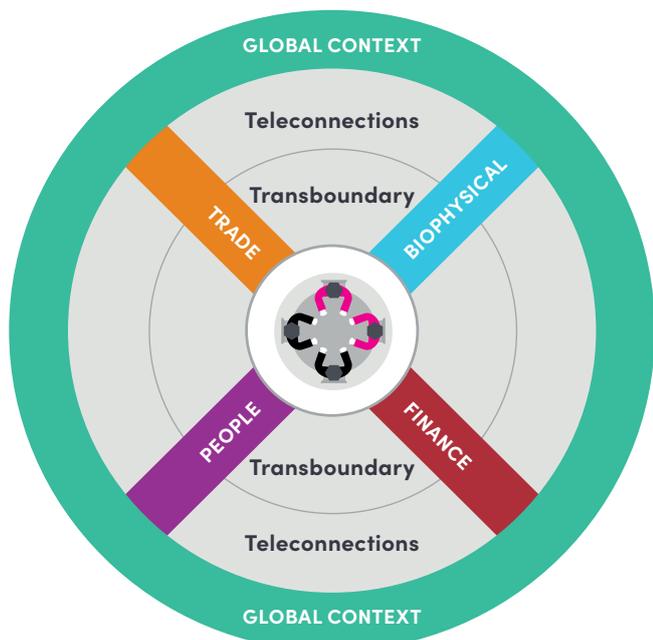
From this perspective, the pandemic offers crucial lessons on how to address climate change. Like COVID-19, it can spur chain reactions, threatening food security, livelihoods and wider health and well-being. In a warming, interconnected world, increasing the resilience of global trade and production systems is paramount.

This brief provides an overview of the state of knowledge on **transboundary climate risks** in Europe, and explores how this knowledge could help Member States, businesses and the EU as a whole to advance climate-resilient trade and production. Findings and recommendations will inform the development of the new EU Adaptation Strategy and the ongoing EU Trade Policy Review, as well as national efforts to adapt to climate change. These findings and recommendations have been shaped in part by an online seminar with adaptation and trade representatives of EU Member States, the European Commission and other international organisations, which was held on 9 July 2020.

### Transboundary climate risk

The impacts of climate change are not confined by national borders: they affect and are amplified by trade and supply chains, capital flows, human mobility, and the sharing of natural resources among countries, regionally and globally (Figure 1). Likewise, actions to adapt to climate change can have impacts far beyond the jurisdiction where they are implemented. Thus, while the

**Figure 1.** Four key pathways of transboundary climate change risk: biophysical, finance, trade and people



Source: Adapted from Benzie et al. 2016.

consequences of climate change are felt and addressed at the national and subnational levels, they also require a multilateral response that current approaches to adaptation rarely provide.

The impacts of climate change – from more frequent shocks, such as floods or heat waves, to gradual changes, such as sea-level rise and shifting ecological zones – are

already creating cascading risks that intersect with trade patterns and international supply chains (Figure 2). Such risks may relate to diminished production of a particular good, such as agricultural commodities; the disruption of trade, transport or other key systems, including electricity generation and transmission; and responses to the perceived or actual manifestation of climate impacts. Risks can cross borders and reverberate through the global economy, impacting Europe and other countries all around the world, far away from the original source. They are poised to become larger and more significant with time. Yet many countries, businesses and organisations are unaware of these risks and underprepared for their potential effect on fragile systems.

As a highly connected global economic hub, Europe is acutely exposed to transboundary climate risks. This was revealed in a recent study by Hedlund et al. (2018), who calculated for 172 countries an index of exposure to transboundary climate risk, based on the four pathways shown in Figure 1. Assessments of in-country climate risk or vulnerability invariably rank countries in sub-Saharan Africa, Small Island Developing States and other Least Developed Countries the highest. For transboundary climate risk, however, the pattern is much more complex and diverse. Four European countries (the Netherlands, Luxembourg, Montenegro and Belgium) rank among the 20 most exposed countries globally, along with eight sub-Saharan African countries, seven Middle East and Northern African states, and one Asian country, Malaysia (Hedlund et al. 2018; see also Benzie et al. 2019).

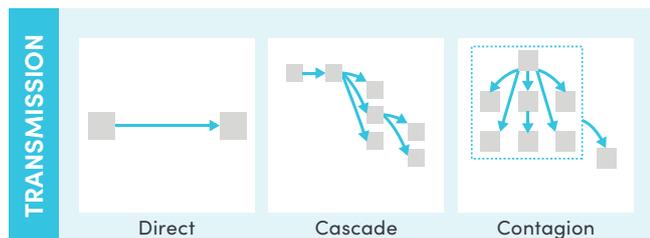
Figure 3 demonstrates some of the ways in which climate impacts elsewhere could affect Europe. The risks are

**Figure 2.** Properties of transboundary climate risks

**What can trigger them?** Different types of events can create transboundary climate risks

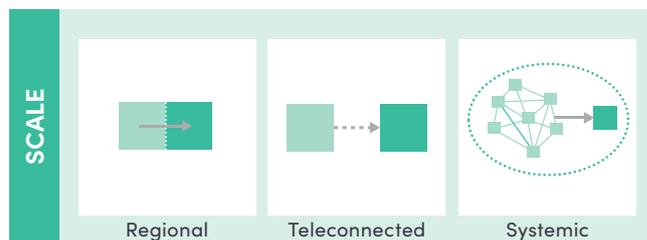


**How can they spread?** Transboundary climate risks can be transmitted in different ways

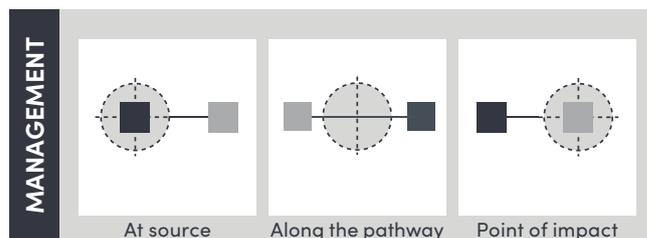


Source: Adaptation Without Borders 2019.

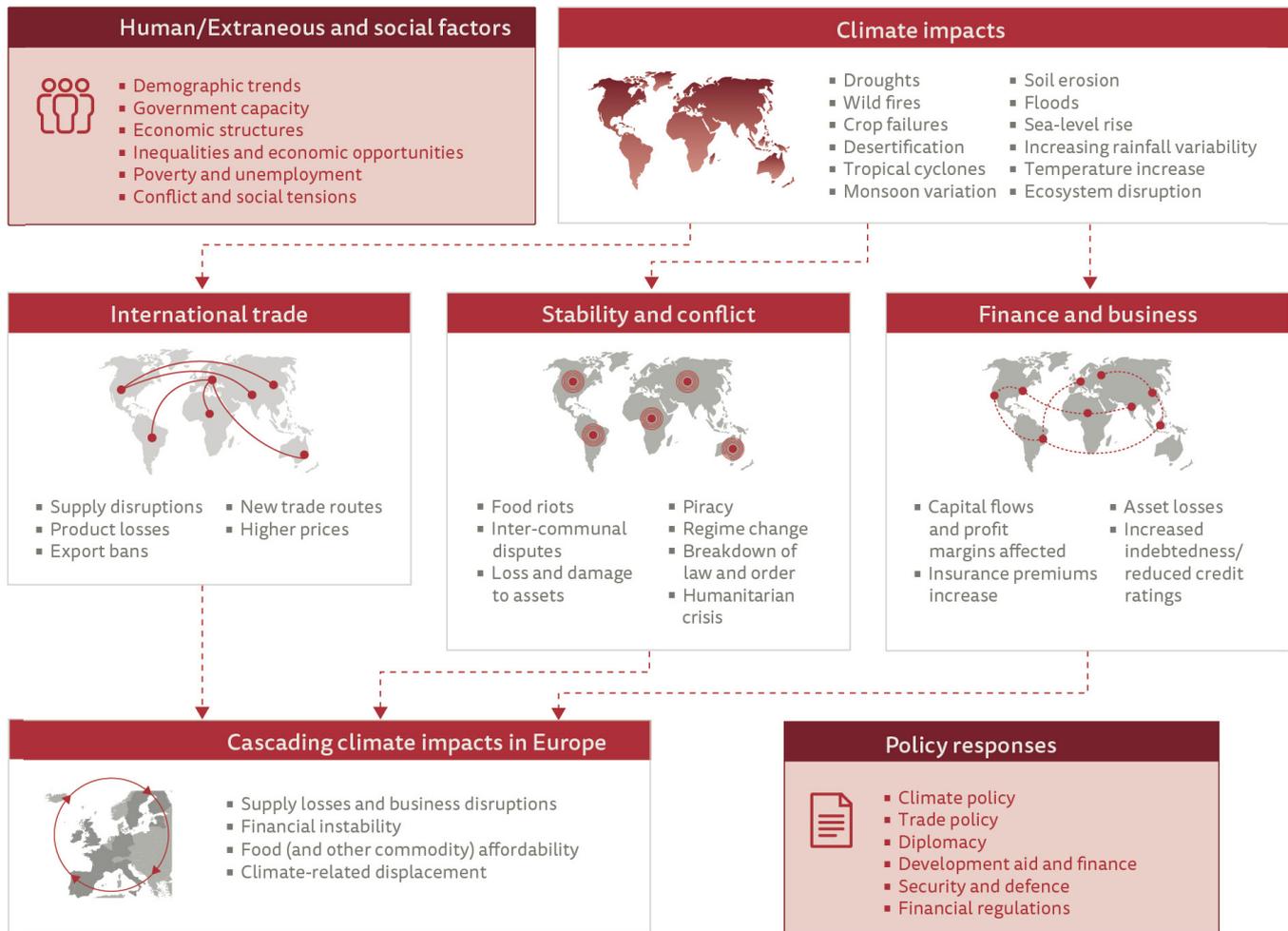
**Where can they spread?** Transboundary climate risks can be spread between and across countries



**How can they be managed?** Responses can target different stages of a transboundary climate risk



**Figure 3.** Examples of Europe’s exposure to cascading climate change impacts



Source: Hildén et al. 2020.

increasingly recognised, but their potential impact on Europe is still poorly understood. Even less is known about what measures national governments and the EU could and should take to address them. What is clear, however, is that transboundary climate risks are an EU-wide concern. There is therefore a need for EU leadership in guiding the assessment of risks and in formulating effective responses.

At the same time, the EU is ideally placed to develop innovative governance mechanisms to strengthen resilience and deepen international cooperation. These mechanisms would enable better support of Member States as they identify, manage and reduce transboundary climate risks, and help to harness the new strategic partnerships and opportunities they present.

### European assessments of transboundary climate risks and trade

A number of countries across Europe have already undertaken assessments of transboundary climate risks, although methods vary from economic modelling and

systematic research reviews to country-profile assessments and expert consultations (Table 1). Where the order of magnitude of transboundary climate risks has been assessed, such as in Switzerland, the UK and Germany, evidence suggests that the transboundary effects of climate change are expected to be as large or even larger than the domestic impacts of climate change (Schwank et al. 2007; PwC 2013). The recent German assessment values the economic impacts of trade-related transboundary climate risk alone as greater than the combined effects of all direct climate change impacts within the country’s national borders (Peter et al. 2019; 2020).

Assessments of transboundary climate risks are essential but can be highly complex exercises. Member States have the benefit of learning from others’ experiences as they undertake their own assessments. In particular, the *scoping and design* phase is critical, as policy-makers consider how to delimit their study, identify and involve appropriate stakeholders, and consider how results will be integrated into decision-making (Figure 4). After a detailed scoping has occurred, countries can proceed to the actual *assessment*, and to *appraising* the results.

**Table 1.** Assessments of transboundary climate risks across Europe

Country	Year	Scope	Method	Language
Switzerland*	2007	Trade (predominant); foreign exchange and capital markets; work and migration; technology; natural resource availability	Economic modelling	German/French
Finland	2007, 2016	Agriculture; forestry and forest industries; tourism; insurance; energy; transport	Research review, country profile-based	English (2007); Finnish (2016)
UK*	2013, 2017	Business and trade; infrastructure; food; health and wellbeing; foreign policy	Country profile-based	English
The Netherlands	2015	Health; food; energy; information and communications technology; water safety and security of supply; biodiversity; economic ties; foreign policy	Country profile-based	English/Dutch
Norway*	2018	Trade; agriculture and fisheries; finance; people; infrastructure; geopolitics	Modelled on UK assessment	Norwegian
Sweden	2019, 2020	Trade; finance; movement of people; infrastructure; food; geopolitics	Modelled on UK and Norwegian assessment (2019); Expert opinions/workshops (2020)	Swedish
Germany	2019, 2020	Trade (including disruptions in transport systems)	Economic modelling	German

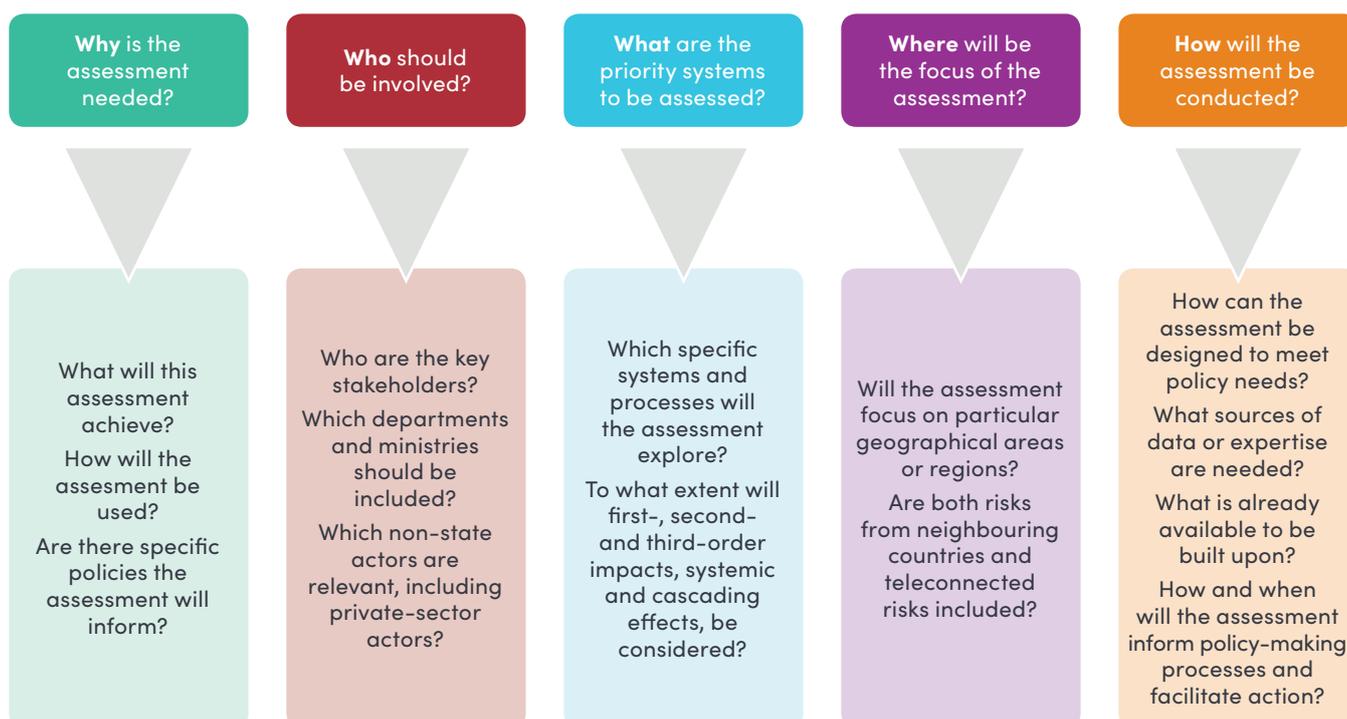
\* EU-neighbouring countries

## Managing transboundary climate risks in trade and production systems

While several countries have generated insightful assessments of transboundary climate risks, they all still need to employ their findings to adapt their trade and produc-

tion systems and make them more resilient. Doing so is a complex task. To find effective options with broad support, it is essential to start by identifying the most appropriate actors to take ownership of and to manage the risks revealed in the assessment. Given the wide variety of relevant actors – both public and private, spread across

**Figure 4.** Key questions for scoping and designing an assessment of transboundary climate risk



sectors and scales – that in itself may be a significant challenge.

For trade and production systems, the vast majority of risk management has historically been done within the private sector. For instance, companies may conduct supply-chain risk assessments focused specifically on climate resilience, to ensure their business models are robust in the short and long term. Institutional investors may benefit from much of the same information. In cases where the private sector is unable or unwilling to produce these details, the public sector may play a facilitating role: mandating the disclosure of climate risks, creating tax incentives for climate risk assessments or investments in resilience, and/or providing training and technical support materials and clear regulatory signals.

It is not self-evident which policy areas would be best placed to implement such options, or at what scale. It may be possible, for instance, to use the tools of international development cooperation to address a climate risk at its source outside of the EU. Alternatively, domestic tax policies could support sustainability in consumer behaviour at the point of impact in a Member State. To reduce risks along a risk pathway, a coordinated response may be appropriate at the EU level. Such a response could be adaptation-specific and aligned with international climate policy processes (such as the Paris Agreement), or pursued through free-trade agreements, in particular their sustainability chapters.

In summary, the complex nature of potential policy responses to transboundary climate risks may make them difficult to identify, assess and implement. Moreover, the same policy options may not be appropriate for all country contexts or risks, indicating a need for flexibility based on the challenge at hand. Across all policy options, however, three core principles should be used to guide decisions:

- **Effectiveness** – Is the proposed policy option likely to be effective in reducing or managing the risk? This is principally a technical question and can be answered by policy analysts or other relevant experts.
- **Responsibility** – Which actors should be responsible for reducing or managing the risk? This is principally a political question and should be addressed by considering the appropriate scope or mandates of relevant government departments and ministries, as well as the various roles that public and private actors play in that context.
- **Fairness** – How will the intended and unintended effects of this policy be distributed, positive and negative? This is both a technical and a political question, where technical analysis should support political discussions about who may gain from a policy and who may be harmed. These assessments should include both stakeholders in the jurisdiction of the policy implementer and trading partners who may be affected.

**“Building more resilient societies, including climate-resilient trade and production systems, is imperative for Europe.”**

Subsequent political deliberations should include all relevant stakeholders, so that implemented policies have equity at the centre.

## Recommendations

Building more resilient societies, including climate-resilient trade and production systems, is imperative for Europe in the next few years. At the core of both the European Green Deal and a green COVID-19 recovery is the desire to create a more sustainable, inclusive and vibrant economy that can withstand the shocks and stresses of a changing climate. EU Member States, supported by the European Commission, will have a critical role to play in this regard. The current consultations on the EU Adaptation Strategy and the Trade Policy Review also present an important opportunity to build a global European economy resilient to the transboundary nature of climate risk, in recognition of our interdependent world.

### EU Member States

EU Member States hold key responsibilities related to adaptation, including facilitating and supporting action at the subnational and local levels. They also play important roles in managing transboundary climate risks. While adaptation discussions typically focus on domestic concerns, in this context they will need to consider the implications of climate risk for wider policy portfolios – such as economic, trade and foreign policy – and for their engagement with other countries and regions.

#### *1. Conduct assessments of transboundary climate risks in trade and production systems*

All EU Member States should be aware of the nature and magnitude of the transboundary climate risks they are exposed to, which assessments to date suggest could be significant. To ensure that transboundary climate risk assessments can inform policy and planning, an inclusive scoping and design phase is critical. It needs to address the following questions: *Why* is the assessment needed? *Who* should be involved? *What* are the priority systems to be assessed? *Where* will be the focus of the assessment? *How* will the assessment be conducted? The latter question requires particular care. In addition to learning from other countries' experiences, Member States may wish to develop a common assessment methodology or guidance – perhaps in collaboration with the Organisation for Economic Co-operation and Development (OECD).

**“When the current EU Adaptation Strategy was reviewed in 2018, the evaluation raised concern that the strategy did not meet the EU’s needs with regard to climate change impacts beyond its borders.”**

## *2. Identify, assess and implement policy options to reduce and manage transboundary climate risks, working with the private sector*

A focus on reducing and managing transboundary climate risks adds a new dimension to domestic adaptation plans and strategies. EU Member States are already familiar with the need to integrate or mainstream adaptation into sectoral policies (including in health, water management, forestry, agriculture and urban planning, for instance). Transboundary climate risks, especially those associated with trade, further broaden the set of stakeholders with whom to engage and often involve the private sector. In many cases, businesses may take the lead. It is crucial to ensure policy coherence, as stakeholders may be subject to multiple sets of policies. For instance, businesses operate within an environment defined by domestic and international trade policy, enterprise and industrial policy, consumer policy, tax policy, and other relevant policies that are typically considered distinct from adaptation strategies. EU Member States must therefore ensure that their adaptation strategies facilitate private-sector initiatives to address transboundary climate risks in ways that are compatible with existing non-climate policies.

## **EU Adaptation Strategy**

When launching the consultation for the EU’s new and more ambitious Adaptation Strategy, the European Commission (2020) stated that “Europe is affected by indirect climate impacts occurring in other parts of the world in multiple ways, such as through trade and supply chains, spread of infections, threats to international security, or migration.” When the current EU Adaptation Strategy was reviewed in 2018, the evaluation raised concern that the strategy did not meet the EU’s needs with regard to climate change impacts beyond its borders, and explicitly said the issue should be considered in greater depth in future iterations (European Commission 2018). The new strategy presents an opportunity for the EU to design and support pioneering initiatives to build resilience to the transboundary and systemic nature of climate risk.

## *3. Increase the scope of the EU Adaptation Strategy to include transboundary climate risks as a major driver of climate change impacts in Europe*

The European Commission should recognise the pathways through which transboundary climate risks flow, including trade and production, as significant determinants of Europe’s exposure and vulnerability to the effects of climate change. The EU Adaptation Strategy should thus be broadened in scope, going beyond the traditional focus on climate change impacts occurring within Europe to also recognise sources of climate risk beyond the EU’s borders. This should stimulate the development of new approaches to managing cross-border risks that engage actors not currently involved in EU adaptation efforts, as well as with governments outside Europe. The Strategy should also underscore the importance of regional solidarity to effectively manage transboundary climate risks and aim to strengthen Member States’ collective resilience to those risks.

## *4. Establish concrete technical and financial mechanisms in the EU Adaptation Strategy to help Member States to manage transboundary climate risks*

The EU Adaptation Strategy should also include new mechanisms to support Member States in addressing transboundary climate risks. For instance, the EU could develop common approaches and tools to assess transboundary climate risks in trade and production systems or conduct stress tests. It could facilitate the generation and exchange of knowledge by commissioning case studies and convening Member States to share lessons and best practices. A formal EU-level stocktake and review mechanism could also be established to assess continued progress in transboundary climate risk management. Importantly, these mechanisms should promote deeper cooperation both within Europe and with key partners and countries internationally. By championing the management of transboundary climate risks in key diplomatic and multilateral processes, the EU can generate new opportunities for sustainable investment and strengthen the global governance architecture for managing systemic risks.

## **EU Trade Policy Review**

The European Trade Policy Review, launched in June 2020, seeks to chart a course for the next generation of EU trade policy that addresses the major global challenges facing Europe, including climate change and the COVID-19 pandemic. In this potentially transformative moment, the EU can advocate for and actively work to build a global trade system that places sustainability on a par with economic prosperity, and indeed recognises that sustainability is crucial to economic prosperity. Future European trade policy should be a key tool for working with trade partners to identify opportunities for sustainable investment and deepening economic cooperation.

**5. Review the sustainability chapters of EU Free Trade Agreements with a view to including measures to address transboundary climate risk in subsequent agreements**

While the principal ambition of Free Trade Agreements (FTAs) remains reducing barriers to trade, the vast majority of modern FTAs include provisions for environmental protection within their sustainability chapters. In recent years, those chapters have increasingly focused on climate change mitigation and compatibility with the Paris Agreement. A review of provisions included in sustainability chapters across all EU FTAs should be conducted, with a view to including specific measures to manage and reduce transboundary climate risks in subsequent FTAs. These measures may include joint work with trading partners to assess those risks and implement suitable adaptation measures. New investment frameworks should also aim to facilitate private-sector investment in climate-resilient trade and production, with appropriate incentives. A key consideration in this regard will be the distributional effects of these provisions; the goal should be to reduce risk in places that are now highly exposed to

climate change impacts, so that investments can continue to flow there – not to spur capital flight.

**6. Reform the multilateral trade framework to promote sustainable trade practices alongside free trade goals**

The multilateral trade framework set at the World Trade Organization (WTO) has significant bearing on how EU businesses and investors function and on the EU's ability to develop trade policy that is aligned with its strategic priorities. A common critique of WTO rules has centred on their inflexibility, particularly with regard to other matters of international importance and global public goods. In view of the twin crises of climate change and COVID-19, it is critical that the multilateral trade framework be substantively reformed so that sustainable trade practices are given as much priority as the promotion of free trade. The EU should strongly advocate for the WTO to prioritise the health of the global economic system, including by addressing climate change, instead of treating environmental concerns as secondary to the goal of increased trade and economic growth.



Rice fields belonging to local hill tribes in Sapa, Viet Nam.  
© UN Photo/Kibae Park

**Adaptation Without Borders** is a global partnership, created in response to the emerging global challenge of transboundary climate risks. Adaptation Without Borders brings together the research capacities and convening power of a range of partners to explore the global implications of transboundary climate risks, create opportunities to strengthen international cooperation and pave the way towards genuine global resilience.

<https://adaptationwithoutborders.org>



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## ABOUT THIS BRIEF

This brief was written following the seminar “Climate-Resilient Trade and Production”, held on 9 July 2020. The seminar involved 45 representatives from 17 EU Member States and various European and international organisations. The authors thank Willem Jan Goossen (Netherlands Ministry of Infrastructure and Water Management), Liviu Stirbat and Daniel Waterschoot (European Commission, DG Climate Action) and Jacek Michal Kozak (European Commission, DG Trade) for their support, as well as all seminar participants for their input. The seminar was organised by the Stockholm Environment Institute on behalf of Adaptation Without Borders, in collaboration with Horizon 2020 project CASCADES (grant agreement 821010).

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Inspire Action