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UK-RUSSIA COOPERATION ON RESILIENCE, ADAPTATION AND NATURE-BASED SOLUTIONS

CHAIR'S REFLECTIONS ON UK-RUSSIA EXPERT WORKSHOP, 20 OCTOBER 2021

November 2021

On October 20, E3G, RIAC and RUSI hosted a workshop with a group of experts from academia, civil society organisations and the private sector on the opportunities for cooperation between the UK and Russia on nature-based solutions and resilience. This was the second workshop in a series aimed to develop resilient cooperation strategies on climate and energy between Russia and the UK.

This note builds on the expert discussion and reflects on areas for bilateral cooperation identified as part of the discussion. The workshop could only cover certain aspects of this vast topic – a more comprehensive set of recommendations will be developed for the final report.

As the workshop was held under the Chatham House Rule, the summary does not reflect the chronological order of the presentations or verbal interventions.



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Key messages

Global risks coming from accelerated climate change are cross-border and transformational – depriving policymakers of a status-quo option. In this context, both the UK and Russia need to address the resilience of their economies to climate risks from a systemic perspective: they must acknowledge the intersecting threats facing societies, such as financial instability, food insecurity, and social and military conflicts, and ensure that their national energy systems, livelihoods, and underlying economic developments are resilient to climate change impact.

The risks posed by climate change fall into two broad categories: physical risks (e.g. to infrastructure, natural resources, food supplies, human health), and transition risks (e.g. to the economy, financial system and existing business models).

Both Russia and UK are exposed to physical and transition risks – even in the most ambitious climate scenario. But the magnitude of these risks and **the cost of adaptation are incomparably lower if ambitious goals and policies are on the table and a cooperation regime on climate and energy transition is in place.**

When it comes to physical risks, the extent and shape of impacts vary greatly between them in terms of primary impacts. In Russia, impacts can be positive or negative depending on the climatic zone and sector, but the risks are vast and the pace of change is great, with Russia warming at 2.5 times the rate of the global average¹. Russia and the UK both already experience impacts from extreme weather (e.g., flooding, wildfires) with significant annual costs². An immediate shared challenge is that of extreme heat in large urban centres such

¹ <https://www.csis.org/analysis/climate-change-will-reshape-russia>

² Russia: In 2019, some estimates suggest costs of around \$1bn

<https://www.bloomberg.com/news/articles/2021-04-14/climate-change-may-be-costing-russia-billions-every-year>;

https://energy.skolkovo.ru/downloads/documents/SEneC/Research/SKOLKOVO_EneC_Climate_Primer_RU.pdf (pp.44-45).

UK: €53bn cumulative between 1980 and 2019, i.e. ca €1.3bn per annum.



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as London³ and Moscow⁴. Another example are regions where both countries have strong strategic interests (e.g. the Arctic, MENA) and climate impacts could become a disruptive factor on an even faster time scale than domestically. Nature-based solutions can play a significant role in mitigation and thus increasing resilience, but are affected by climate impacts themselves.

When it comes to transition risks, **the most prominent factor is that both countries are producers and exporters of fossil fuels as well as of energy intensive materials**. The extent of this varies in terms of revenue dependence, but there are opportunities for exchange on strategies to respond and adapt. In particular, while policies to replace fossil fuels exist, none demonstrate plans to curb fossil fuel production or drive an economic transformation of the sector. Instead, achieving climate goals is linked to the preservation or expansion of nature-based solutions, reducing the energy intensity of fossil fuel production, and switching to low-carbon hydrogen and negative emissions technologies.⁵ As a transition strategy, this comes with its own risks which need to be understood and managed.⁶

An opportunity also lies in **framing nature-based solutions within the context of the broader transition and modernisation of the economy**. The role they can play in mitigating climate change is but one; crucially, they can also play a significant role in decarbonising entire sectors, such as construction, or bringing resilience benefits, such as an increase in cooling.

There are differences in the UK and Russia's priority-setting when it comes to adaptation and resilience measures, which are, to a large extent, rooted in differing economic rationales of both countries. Nevertheless, the workshop identified **several areas for potentially fruitful UK-Russia cooperation**:

³ <https://www.lshtm.ac.uk/newsevents/news/2021/global-warming-already-responsible-one-three-heat-related-deaths> & https://www.london.gov.uk/sites/default/files/climate_change_risks_for_london_-_a_review_of_evidence_under_1.5degc_and_different_warming_scenarios.pdf

⁴ <https://www.theguardian.com/world/2021/jun/23/moscow-sees-hottest-june-day-for-120-years-with-more-to-come>; <https://tass.ru/info/11731797>

⁵ For example, the UK's net zero strategy indicates that it plans to scale negative emissions to **75-81mt CO₂** per year, compared to an annual total of GHG emissions in the UK **of 458mt** in 2019. Russia wants to **increase carbon sinks from 535million to 1.2 billion by 2050**. This is compared to total emissions of around **2.1 billion** (as of 2019).

⁶ As an example, Russia's decarbonisation strategy aims to increase the absorption capacity of carbon sinks by 2.2 times (220%). Meanwhile, it decreased by 10% in the last 10 years as a result of human activity and climate impacts.



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Resilience to primary and secondary physical risks

<i>What</i>	<i>How</i>
<i>Develop climate-resilient strategies for geographies of joint strategic interest impacted by climate change</i>	<ul style="list-style-type: none"> ➤ Arctic: Building on existing architecture around climate science and the Northern Dimension. ➤ MENA: Conducting a strategic assessment of where climate impacts in the region could act as stress multipliers.
<i>Urban design and responses to extreme heat</i>	<ul style="list-style-type: none"> ➤ City-to-city dialogue involving architects, the construction sector, city planners and others, aiming to exchange approaches to minimising the impact of extreme heat in urban areas and building supply chains for sustainable and resilient urban design.
<i>Governance innovation for climate resilience</i>	<ul style="list-style-type: none"> ➤ Government to government exchange on the governance of climate resilience—cross-institutional working and clear accountabilities are at the heart of building more resilience.

Strengthening the resilience of UK and Russian economies to shocks

<i>What</i>	<i>How</i>
<i>Curbing methane emissions in agriculture and fossil fuel production to maintain competitiveness in a shrinking/decarbonising market</i>	<ul style="list-style-type: none"> ➤ Sharing lessons learnt from methane emissions reduction ➤ Boosting the sustainability of the agricultural sector, with the UK sharing experience on waste management
<i>Ensuring policies at home drive decarbonisation and reallocation of capital and minimise CBAM risk</i>	<ul style="list-style-type: none"> ➤ Mutual exchange on setting up carbon pricing schemes, building on the Sakhalin pilot in Russia and the UK experience with the carbon price floor. ➤ Exchange at city/regional level on decarbonising industrial clusters with Sakhalin and Humberside (or similar) at their hearts.



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	<ul style="list-style-type: none"> ➤ Working together to expand the Sakhalin project to other regions.
<p><i>Ensuring climate project standards can guide investments and business decisions</i></p>	<ul style="list-style-type: none"> ➤ Set up an expert group on syncing climate certification schemes to facilitate trade between Russian & UK businesses (consider extending to EU). ➤ Organising an exchange on reforming existing regulatory frameworks to avoid greenwashing.
<p><i>NBS – focus on expanding the carbon-absorption capacity of forests and sustainable forestry</i></p>	<ul style="list-style-type: none"> ➤ Running model projects on forest management, showcasing successful business cases (see key link to wider supply chain approach above). ➤ Working together to help build the investment case for NBS and the climate - taking a quantitative approach to articulating the ‘triple win’ long-term outcomes for people, the economy and the environment. Highlighting opportunities to the business sector. ➤ Conducting joint research to understand the necessary pace and sequencing when implementing NBS, for them to become a contributor in decarbonisation strategies, and understanding potential risks. ➤ Scientific collaboration to understand risks from climate change to nature-based solutions as mitigation action.
<p><i>Ensuring speedy development of negative emissions technologies in the UK and Russia</i></p>	<ul style="list-style-type: none"> ➤ Working together on a business and regulatory level to quickly bring down costs and increase capture rates of CCS technologies. This is important, given the centrality of CCS to decarbonisation strategies in Russia and the UK.

Ensuring the resilience of the population

<i>What?</i>	<i>How?</i>
<p><i>Investing in linking up socioeconomic priorities</i></p>	<ul style="list-style-type: none"> ➤ Knowledge-sharing on opportunities for green job creation and identifying training



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<i>such as jobs, growth, education and affordable livelihoods with the transition</i>	requirements. Engaging professional bodies in a dialogue over transition plans. ➤ Coupling the low-carbon transition with reducing regional inequalities (e.g. sharing UK 'levelling up' experience); developing frameworks to ensure that the most disadvantaged regions benefit from the new opportunities.
<i>Ensuring a just transition away from coal</i>	➤ Developing projects linking (former) coal regions in the UK and Russia.

For further inquiries please contact

E3G:

Maria Pastukhova, maria.pastukhova@e3g.org

Kamila Godzinska kamila.godzinska@e3g.org

RIAC

Konstantin Sukhoverkhov ksukhoverkhov@russiancouncil.ru

RUSI

Sophie Andrews-McCarroll sophieam@rusi.org