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# INCREASING ENVIRONMENTAL PROTECTION AND SUPPORTING CLIMATE CHANGE ADAPTATION AND MITIGATION

Latin America and the Caribbean (LAC) is the world's most biologically rich and diverse region. Thanks to the immense variety of climates and habitats, it is home to more than half of the world's biodiversity and to the highest number of species found nowhere else on the planet. The natural resources of LAC underpin regional and global food supplies, water, energy security, climate and air quality, and contribute to human health, sustainable income generation and prosperity.

Nevertheless, despite 20% of land and marine areas being protected, many ecosystems have been significantly degraded in recent decades, threatening the region's well-being and its potential for a sustainable future. Although the situation varies from country to country, deforestation continues to be the main cause of environmental degradation in many LAC countries. Furthermore, the growing populations living in megacities and industrial and mining activities produce large amounts of air, water and solid pollutants that harm human health, damage crops and nature, and contribute to climate change.

Despite contributing less than 10% to global greenhouse gas emissions, the countries of the region are already experiencing the tip of the climate change spear as it disrupts economic activity and livelihoods. The Caribbean and Central America are the regions most exposed and

vulnerable to extreme climate events. Precipitation patterns are shifting, temperatures are rising and some areas are experiencing changes in the frequency and severity of weather extremes, such as droughts, heavy rains and storms. These events disrupt food and water supplies, and human health and welfare are adversely affected, along with natural ecosystems. The sea level is rising, threatening the LAC population, especially in the Caribbean islands, contaminating freshwater aquifers, eroding shorelines and inundating low-lying areas.

The challenge facing LAC is to implement strategies to adapt to the consequences of climate change and the requirement to mitigate the effects of ongoing damaging environmental practices by bringing about the transition to a greener society.

Reaching the environmental and climate-related goals is closely bound up with achieving the **2030 Agenda for Sustainable Development**. The Sustainable Development Goals address the synergies between the fight against poverty and the fight against climate change. The LAC region is highly vulnerable to the effects of climate change, which serve to exacerbate inequalities. Current patterns of development are intensifying the environmental crises. However, growth can be compatible with environmental sustainability, if rapid and profound changes are made.

The transformations necessary to address climate change offer an opportunity to achieve the 2030 Agenda and to bring about systemic and positive changes (better health, sustainable energy, better cities, sustainable economies, and prosperity).

The **European Green Deal** is Europe's structural response to the challenges posed by climate and environmental degradation. It is an ambitious new strategy for growth that sets out to transform the EU into a modern, resource-efficient, and competitive economy. In its external dimension, the European Green Deal commits to playing a leading role in global efforts to halt biodiversity loss, pursuing robust policies to tackle climate change, making food production sustainable, combating pollution, building a circular economy, and ensuring that sustainable development objectives are reflected in trade agreements. The EU's cooperation with LAC puts environmental issues centre stage, including safeguarding biodiversity, moving towards green, circular economies, and combating climate change.

Environment and climate change are high on the policy agenda in relations between the EU and LAC. The topics feature regularly on the agendas of summits and political dialogues at regional, sub-regional and bilateral levels.

The EU is supporting climate action in LAC through regional initiatives in addition to the Latin America and Caribbean Investment Facilities (LAIF and CIF): the regional flagship programme EUROCLIMA+ (€171.5 million); a sub-regional programme for Central America (€35 million for climate change and disaster management). Climate change and environmental protection are also important areas in EU bilateral cooperation with several LAC countries.

LAIF and CIF have succeeded in facilitating investments related to environment and climate change mitigation, especially in the areas of water, sustainable mobility and renewable energy. In most programmes, support for climate-related action is a principal objective, according to the definition of the Rio Convention on Climate Change.

All 74 projects funded by LAIF, and CIF are helping LAC countries strengthen the resilience of their economies, cities, and infrastructures, and are supporting nature protection.

In addition, climate adaptation strategies form part of projects financing climate-smart solutions in areas vulnerable to extreme climatic events and foster nature-based solutions to climate adaptation in agriculture.

## Main challenges and way forward



### **Vulnerability to climate**

**threats:** Rural and urban populations living in LAC are highly vulnerable to climatic threats, due to the consequences of climate change, making the implementation of climate-smart solutions and the need to adapt to the changing environmental changes key priorities.

### **Environmental degradation:**

Transition to greener economies needs to be encouraged to mitigate further environmental damage. Air, water and ground pollution, clean energy, biodiversity loss and higher rates of deforestation are all issues that need to be addressed.

### **Policies to tackle climate**

**change:** Governments must implement public policies and commit to the nationally determined contributions (NDCs) in favour of climate change protection. Tools are needed to facilitate the adoption of these policies in the long term.

## Indicators



Number of projects:  
**14**



Total number of beneficiaries:  
**18,049,413**  
people



Number of jobs created or supported:  
**7,876**



Number of studies for climate change mitigation:  
**152**



Number of studies for climate change adaptation:  
**62**

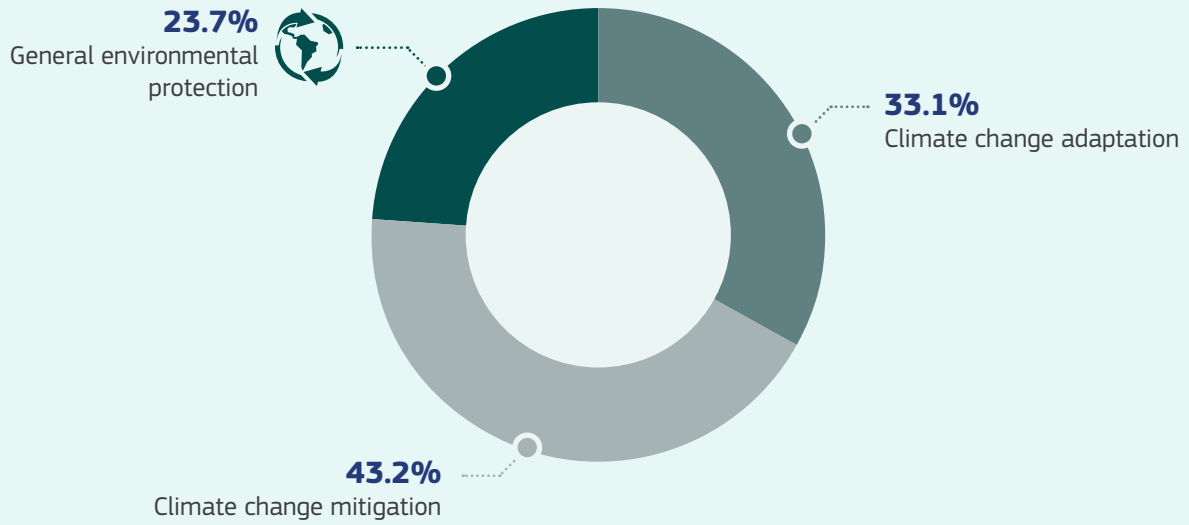


Greenhouse gas emissions reduction:  
**13,766 CO<sub>2</sub> kt**  
equivalent/year



## LAIF and CIF contribution per sector

Total contribution  
from LAIF & CIF:  
**€ 114 921 000** 



### Bilateral and multi-country projects

<https://www.eulaif.eu/en/projects>

<https://www.eu-cif.eu/en/projects>

*This fiche was prepared with the most recent information and data available from the banks under their contractual responsibility fully to inform LAIF promptly about the developments in the projects.*

