

Starting Point: Development and Adaptation

Addressing Drivers of Vulnerability

Enabling human development: actions that reduce poverty and vulnerability; increase capability and coping capacity:

- Livelihood diversification
- Literacy and education
- Women's rights
- Community health
- Food security

Building Response Capacity

Robust systems for problem solving: actions that build institutional, technical and planning capacity:

- Natural resources management
- Weather data collection, forecasting
- Disaster early warning; communications systems

Managing Climate Risks

Climate risk management: actions that incorporate climate information into decision-making to reduce risks:

- Climate proofing projects
- Drought-resistant crops; cropping systems
- Robust, adaptive technologies

Confronting Climate Change

Addressing climate change impacts: actions that target specific, anticipated impacts outside of historical experience:

- Relocation due to sea level rise (SLR)
- Coastal defenses from SLR
- Managing Glacial Lake Outburst Floods (GLOF)
- Extra storage to capture glacial melt

Vulnerability Focus

Impacts Focus

Unclear

Additional Cost Logic:

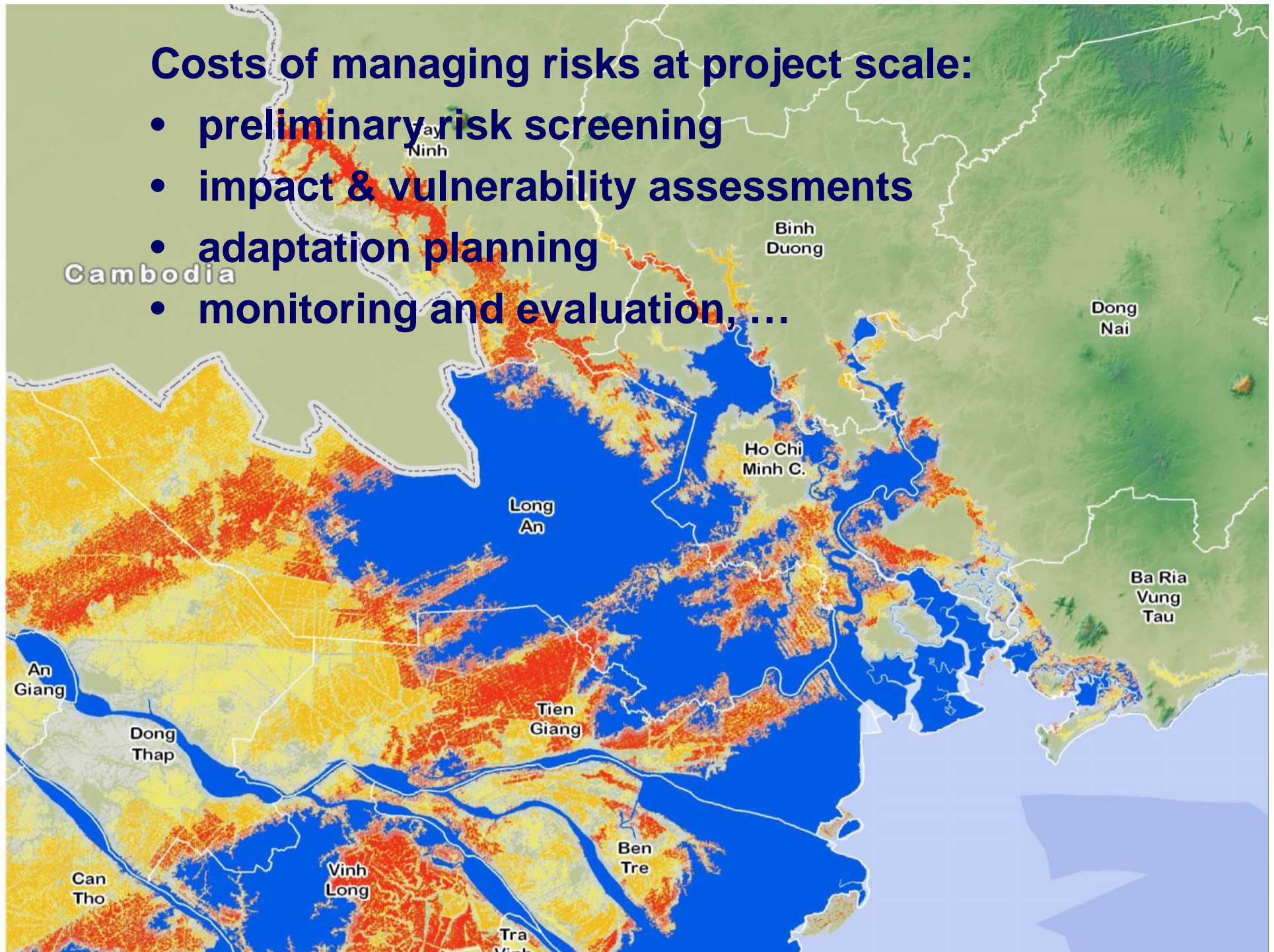
Explicit



Based on McGray et al. (2007) *Weathering the Storm*

Costs of managing risks at project scale:

- preliminary risk screening
- impact & vulnerability assessments
- adaptation planning
- monitoring and evaluation, ...





Costs of “climate-proofing” investments:

- modifying designs, materials, processes
- altering locations
- performance covers



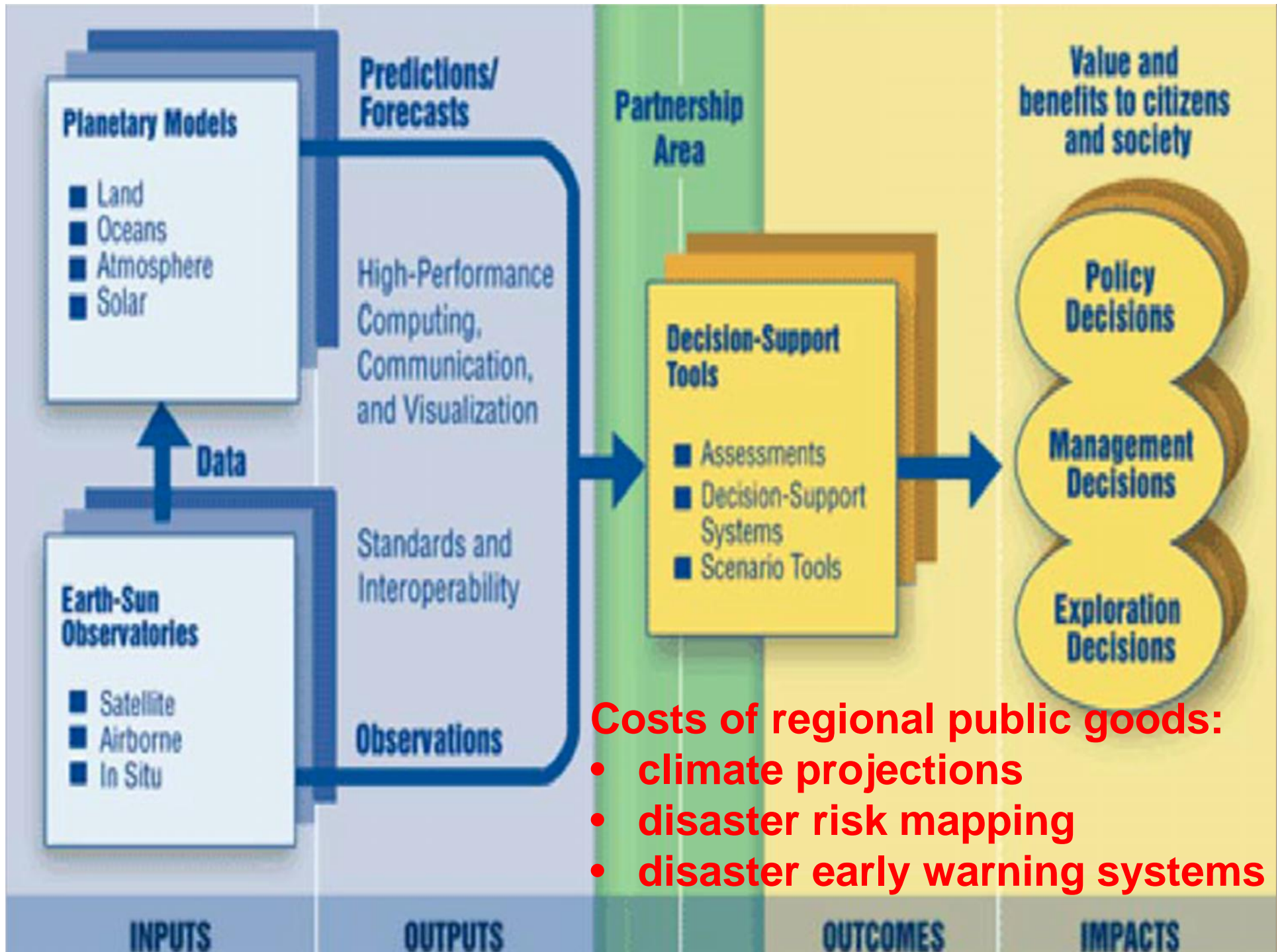
Additional costs of climate-related disasters:

- disaster risk mitigation
- post-disaster relief and reconstruction
- residual risk management, ...



Costs of building societal resilience:

- education
- health & nutrition
- social capital
- income diversification and savings



Summary Observations:

- **“Adaptation” covers a broad spectrum of activities, and not everything that qualifies as adaptation is easily funded through dedicated adaptation funds**
- **Many project-level activities (risk analysis, climate proofing) require reliable, rapid access – poorly matched with the multilateral funds**
- **Likely demand for adaptation finance in Asia and Pacific is probably not less than \$30 billion - \$50 billion per year through mid-century; inconsistent with what has been available**
- **The development finance institutions will have to establish a practice of building resilience into investments even in the absence of dedicated adaptation (grant) funding**