



Adapting and Living below 2°C

*Outcomes of the 5th Asia Pacific Climate
Change Adaptation Forum*

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Adapting and Living below 2°C: Call for Action

“Adapting and Living below 2°C: bridging gaps in policies and practices” call for harnessing more local involvement in integrated adaptation planning, providing access to relevant sources of financing and technologies, provisioning coherent capacity building, involving private sector, and tapping knowledge networks including the Asia Pacific Adaptation Network (APAN) for replicable adaptation measures and collective learning to support effective and inclusive adaptation planning and implementation. Over 900 participants including policymakers, scientists, donors, youth, and representatives from over 50 countries discussed opportunities and agreed to collaborate on solutions, integrated approaches, and extended an invitation to new partners especially the private, technology and finance sectors, that could help address the gaps in financing, technology, and capacity building. Inspired by the sincere commitment of the host government to inform Sri Lanka’s future climate actions with the Forum outcomes, many countries, partners and participants expressed their commitment to take on the messages from the 5th Forum and turn them into action, for a climate-resilient Asia Pacific region.

Colombo, Sri Lanka
October 2016



Democratic Socialist Republic of Sri Lanka President Maithripala Sirisena addressing the audience at the Opening of the 5th Asia Pacific Climate Change Adpatation Forum and the Sri Lanka NEXT Blue Green Era Programme.

1. Introduction

Almost 20 years of adaptation knowledge has yielded a tome of abundant information. At the Forum, it recognises that there is no dearth of information on the impacts of climate change, implications on development and urgency of actions for mitigation and adaptation that are required: there is work to do though in terms of improving access to information on successful adaptation technologies and programmes that can be shared, learned from, and readily scaled up. The imperative to move forward and learn fast and apply approaches that are already proven and working is clear with the new limits to growth and adapt imposed by living below 1.5°C increase of global temperature. The means to connect finance and investments to projects that build climate resilience and support socio-economic development are gaps that, while real and urgent, also present huge opportunities for governments, civil society, and business.

With the Forum theme “Adapting and Living below 2oC: Bridging Gaps in Policies and Practices” discussions focused on Adaptation Planning, Financing for Adaptation, Climate Resilient Development, and Multi-actor Cross Learning. Various pathways were explored by the delegates and a range of directions and actions to bridge the gap between adaptation policies and practices outlined, building on past experiences. The Forum concluded with the **Colombo Outcome**, indicating general directions and identifying specific areas where work for the partners in particular, and the adaptation community in general, could be stepped up and aligned with national plans in to contribute to the Paris Agreement (2016) and the SDG 2030 agenda. The ability to successfully adapt to life in the face of highly

adverse climactic conditions is a clear objective of climate adaptation work and support climate resilient development. That this has the underlying opportunity to translate itself to address socio-economic security on a greater, national level is a prospect that demands the involvement of many sectors of government, especially economy, finance, trade and industry – in support of the ministries of planning and environment, usually the first points of contact for our climate change work. 2015 ended with the successful alignment of climate change programmes with the 1) Sendai Framework, 2) SDGs and 3) the Paris Agreement. While these demand more human and financial resources, more can be done by the main actors and government agencies implementing them in a more coordinated manner, realizing a more practical approach for integrating future work directions and working towards minimizing duplication and maximizing resources. Thus future efforts to support climate resilient development would require **changes in current approaches of adaptation planning and engagement of actors.**

Effective adaptation and resilience development cannot be achieved without meaningful inclusion of gender (man and women, and children and elderly). At the same time, adaptation planning should be based not only on the national agenda but on the local level’s understanding of their environment. Much of the responsibility for adaptation action will rest at the community and enterprise level and hence, involvement cannot solely be made on the basis of information provided by people from the outside, need to build on local knowledge too.

Enhance Effectiveness: Approaches to Adapt

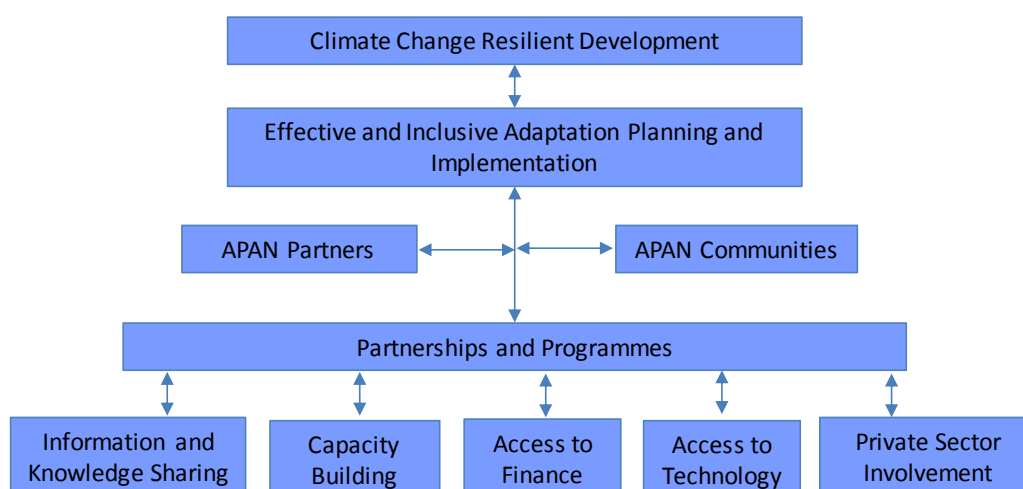
- Involve and integrate as many possible sectors, sectoral ministries/agencies and key ministries such as planning and finance to ensure that adaptation planning will be more in line with national development plans and goals not just at highest levels but down to the sub-national levels as the traditional approach of top-down, sectorally-siloed policy and planning found ineffective to support climate resilience development. Local adaptation plans

for action (LAPA) are concepts emerging at the local level that might be extremely meaningful to achieve some degree of synergy as well as possible avenues for widening involvement of actors in organized community dialogues that would be supportive to mainstreaming.

- Foster cross-sectoral consultations and extensive engagement stakeholders at all levels ranging from identification of gaps/needs, identification and prioritization of adaptation options, as well as implementation of plans. A common understanding on adaptation efforts and linkage with development vision can enable stakeholders to reflect long-term planning processes, and therefore avoids unexpected, unintended consequences that may result from shorter-term thinking. Common understanding can be built by organizing roundtable discussions/dialogues among national and sectoral development agencies and legislators to cement climate resilience as part of holistic development planning (i.e. linking them to SDGs, Adaptation components under countries' NDCs, etc.).
- Demonstrate adaptation interventions showcasing integration, inclusivity, and local impacts including replication potential. As the region have more than half of its populations living in urban areas and are prone to climatic hazards, national adaptation plans can be specific to urban resilience as part of implementing.
- Build capacity for local communities and authorities to possess the financial, planning and analytical capacity to support and implement adaptation plans and action. This need to be supported by detailed assessments and connected with National Adaptation Plan (NAP) processes and implementation including the financial and technical needs to move forward.
- Integrate Loss and Damage into fiscal policies and incentives is becoming crucial as many countries have just initiated work in this area. It would require providing related technical assistance for countries to be able to do so would allow for mainstreaming loss and damage into development planning.

2. Action Areas to Support Adaptation

Five action areas have been identified to support effective and inclusive adaptation planning and implementation and contribute to climate resilient development. The chart depicts inter-linkages between action areas and APAN Partners and Community.



a. Information and Knowledge Sharing

It is important to make data available and for the specific target markets for them to better apply the information in decision-making for the work that has to be done. Data needs to be able to assist programmes, bilateral projects, multilateral project donors even as it can be used by the communities where the adaptation intervention is to take place.

In theory, everyone should have access to any information in today's digital world. Resources are required however, to enable these information sources so that it readily provide the targeted information and knowledge that can lead to behaviour changes. It would be unwise to invest limited resources in creating new organizations and

programmes where there already are existing sources which may only be requiring incremental resources to be more effective in fulfilling their missions. Adaptation must try to maximize and work with existing information structures wherever available. In particular, knowledge networks offer a great potential to shorten the journey of 'knowledge' flow, and 'capacity' enhancement efforts reach countries more cost effectively.

Both traditional and modern knowledge are important for successful adaptation. At the community level, traditional knowledge is being accessed for use with strategies to cope with unusual, often climate induced, natural disasters.

Potential Activities

- There are real limitations with the lack of basic socio-economic data that can properly inform adaptation planning in a country. This gap points to the need to establish a reliable data sharing programme across governments for hazard and risk analysis.
- Information that could be useful is not necessarily readily codified in manuals and white papers /reports that can inform state players and decision makers. Making it available in a form that can be understood and implemented at the local, community level should be undertaken. Embarking on specific programs to codify and translate data and information to address various levels of understanding should be identified.
- Research and scientific information should inform policy/climate information. There is a critical need for climate information and services to be adapted and translated for different audiences.
- Economic analysis of climate change adaptation projects, programs and sectors can help decision makers improve the quality of their decision making when it comes to identifying and selecting adaptation options. Specific and targeted dialogues focused on these would be a concrete step in equipping stakeholders with information to make more relevant decisions.
- Sharing of experiential learning beyond passive websites and big conferences like the Asia Pacific Adaptation Forum should be encouraged. Since a lot of the knowledge that practitioners need is not knowledge that can easily be found on the web or in a book, the best way to learn is through direct exchanges. More face-to-face knowledge exchange programmes should be encouraged.
- Convening regular meetings to exchange the information on benefits, technologies, best practices from other regions, tools, and processes

- Regional networks have proven to be an effective means to collect, generate, repackage and widely disseminate adaptation knowledge. The main challenge is to maintain sustained operations in the future to enable multiple stakeholders to access, share and utilise adaptation knowledge required for the effective implementation of the Paris Agreement.
- Make better use of networks to consolidate information on resources, plans, and programmes. This allows one to see the gaps and more importantly, avoid overlaps.

b. Capacity Building

Even as the data to inform adaptation planning and manage disasters (floods, surges, etc.) is now better available, another key challenge for many small countries is the

human resource capacity to analyze data that will inform planning, data sharing and centralization and communication to grassroots communities.

Potential Activities

- Developing national capacities to assess and address adaptation needs need to be developed through a mechanism that is long-term and feeding into a system which retains the knowledge and capacity developed. It should not be biased towards external consultants that are hired to perform these local tasks.
- Strengthening of national capacity to identify, tag, and streamline national budget and finance towards climate resilient investments.
- Organizing capacity building activities on handling donor finance, monitoring and verification reportings, and enforcement for compliance with donor requirements; supporting potential National Implementing Entities to directly access and manage international climate finance.
- Strengthening capacities to improve risk management capabilities of relevant planning authorities, along with ministries of environment, planning and finance through targeted meetings.
- Promoting smart development planning and execution that integrates capital investment in infrastructure with national climate adaptation plans and support for vital economic activities, resulting in win-win solutions for people and their livelihoods, health and jobs.
- Targeted capacity building for business planning, origination, assessment, and development of projects on adaptation infrastructure and technologies.
- Strengthening capacity development of the youth, planning and investing in the long term for the next generation, and embedding the knowledge systems for adaption. Some partners, for example, are embarking on strong programs on youth initiatives or expanding their reach to raise awareness by collaborating with local universities.

c. Access to Financing

The need to increase resources and funds available for implementing adaptation pilot projects that promote a sustainable and climate compatible infrastructure is a real challenge. Nevertheless, a key insight during the Forum is that there is as much issue with the lack of good quality and bankable projects proposals to match what funds are actually

available for climate adaptation. The main issues as to why this is the case: (1) a huge deficit in relevant skills to access financing in the region; and (2) the difficulty in scaling up successful adaptation pilots and demonstrations as well as scaling down and replicating larger projects.

Potential Activities

- Donors take a silo approach – redundancy and duplication is rampant and as such, undertaking an assessment of the gaps (policies, institutions, technology, and stakeholder engagement) is necessary to reduce overlaps and better identify where financing can support and provide the most impact.
- Planning and organizing business roundtables that address issues about legislative framework, financing mechanisms, technology and stakeholder engagement that would lower the barriers for pilot projects that improve adaptive and resilient capacity.
- Increasing transparency and openness in climate financing opportunities by organizing targeted Technical Assistance dialogues, involving funders and project proponents.
- Financing for adaptation should be matched with terms that have longer time investment periods and that allows investments to be derisked.
- Undertaking and providing high quality economic analyses of climate change adaptation projects to sharpen the identification of relevant and appropriate adaptation options (best example, the agriculture sector) and provide clarity for investment directions.
- Donor requirements and application checklists should be flexible and simplified to accommodate and be cognizant of the systems already in place in target countries. Donors need to rethink criteria and requirements so that it could work with and be more respectful of cultures and traditions in each country.
- Widening the range of financing options given that government budgets are clearly inadequate for the huge levels of investments required. This includes enhancing infrastructure investment possibly with more cost effective insurance mechanisms. Closely working with insurance / reinsurance firms to provide more accessible information should help expand understanding of the financing options.
- Evaluating shared accountability even as capacities to handle climate finance are being developed. With this, responsibility and accountability can be jointly shared by governments, intergovernmental agencies and financial institutions and other stakeholders.
- Mainstream Climate Public Expenditure Institutional Review (CPEIR) as a means to help countries track adaptation finance. This, coupled with targeted budgets for CCA and cross-

sectoral task forces and working groups that are being established by countries will ensure consistency and sustained flow of finance.

d. Access to Technology

Limited private sector investment, high upfront investment costs, long payback periods for investors and a lack of access to formal financing mechanisms, present obstacles to technology adoption, specifically for climate adaptation technologies. Related to the need for more enabling government

policies and regulations and a need for more highly trained and skilled staff, the articulation of a clear business case and market potential for investing technologies is therefore vital to elicit more active participation from more sectors.

Potential Activities

- Coordinating with organizations that have identified technology priorities by the countries and providing the Technical Assistance services as per that country's demand. These national priorities cover energy, urban design, transport, human health, and agriculture. Specific country requests include hydrodynamic modelling for flood reduction and climate resilient infrastructure development pathways, early warning systems to respond to climate changes, bio- waste minimization and valorization for low carbon production in rice sector.
- In addition to strong relationships with the country Ministry of Environment, setting up dialogues with Ministries of Investment and Trade to identify enabling opportunities for investment and interventions required to attract financing for deployment of adaptation technologies.
- Developing standardized packages and toolkits for these prioritized technologies.
- For companies that are looking to or are already involved in adaptation, a perceived risk or challenge which is a real barrier to investment are the direct /indirect reputational risks resulting from failed projects or collaborations. The development of local competence therefor, with clear rules and regulations to guide business, is an important step in reducing such risks. Organizing dialogues between government and business should be supported to allow for this exchange of ideas and concerns.
- Organizing specific and targeted business meetings on how to develop technologically robust project concepts with full feasibility studies to support project financing requests from donors, funders, and technology providers.
- Development of selected demonstration projects which are easily scalable.
- Roundtables between potential projects, developers, and funders to allow for an appreciation of the full value chain and potential returns on investments.
- Workshops to support development of more technologically robust project concepts with full feasibility studies conducted.

e. Private Sector Involvement

Even with about \$22 billion allocated by multilateral and bilateral donors for adaptation in 2014, at least \$140 billion per year and perhaps as much as \$300 billion per year would be needed by developing countries by 2030 (UNEP). Only a portion of these funds would come from donors, and therefore, government budgeting and finance systems and private sector engagement are vitally important.

Adaptation is better treated and pursued as a market beyond the notion of saving the

society for ethical reasons. Ethical motivation is important but not enough. There must be suppliers and buyers of ideas, technologies, finances operating in the adaptation market place, with vulnerable and less fortunate helped by both the governments and wealthy nations for them to be able to be beneficiary players in the adaptation market. Given that risk taking is part of the DNA of most businesses, private sector can lead the way where the governments cannot or are still thinking of doing so.

Potential Activities

- Private sector is a widely recognized stake holder and actor and partner in the adaptation arena. What is less accepted is that businesses are not NGOs and don't welcome people looking at their pockets to finance philanthropy. They are there to be profitable. Therefore, for private sector to shoulder a greater responsibility and lend a helping hand, adaptation strategies must identify investment and business opportunities that would be profitable.
- Clear signals from host governments about the prioritization and importance accorded to adaptation will support more robust private sector participation.
- Reviewing programmes and providing possible subsidies to corporates involved in good initiatives can be considered to create a more enabling environment.
- Incentives for the private sector: through (a) ensuring that actionable information on potential climate impacts is accurate, reliable and widely available, (b) promoting systems and mechanisms that reduce risks for private investors (such as risk insurance schemes and other market-based instruments) and (c) leveraging large-scale private investment through public investments in de-risking policies, programmes and mechanisms.
- More private sector participation can be encouraged with more available information and knowledge on risk reduction and risk return plans. Business also needs to be told what they stand to lose if they do not assess their risks: if these assessments are made, then normal profit-seeking behaviour will make it attractive for them to work on climate change adaptation initiatives for their own risk reductions. Organizing opportunities for such information to be available and for interactions to happen would increase awareness.
- Affiliate the climate change adaptations with the CSR (Corporate Social Responsibility) activities of the private sector.



Udaya Seneviratne, Secretary, Ministry of Mahaweli Development and Environment; Sunimal Jayathunga, Director, Climate Change Secretariat, Sri Lanka; Isabelle Louis, UN Environment Asia and the Pacific Office; H.E. Anuradha Jayarathne, Deputy Minister, Mahaweli Development and Environment; and H.E. Karu Jayasuriya, Speaker of the Parliament, Sri Lanka addressing the closing session moderated by Prof. Buddhi Marambe, University of Peradeniy

Conclusion

2017 and 2018 present an important time frame to support countries and communities as they address these issues with urgent actions to step up on climate resilience across Asia Pacific. In parallel with the Paris Agreement and SDG 2030 processes, the APAN 2017-2018 work plan will be guided by the outcomes of this latest meeting in Colombo, and will rely on the continued support of its partners and members.

Forum Outcome

5th Asia Pacific Climate Change Adaptation Forum Colombo Outcome

The Fifth Asia Pacific Climate Change Adaptation Forum was held on 17-19 October 2016 in Colombo, Sri Lanka, organized by UN Environment Asia Pacific Adaptation Network and hosted by the Ministry of Mahaweli Development and Environment, Democratic Socialist Republic of Sri Lanka. More than 900 participants consisting of adaptation experts, policymakers, development partners, non-government and civil society organization, financial institutions, individuals, youth, media, and private sector representatives from over 50 countries from Asia-Pacific attended the Forum.

H.E. Mr. Maithripala Sirisena, President of the Democratic Socialist Republic of Sri Lanka delivered the opening address in which he emphasised climate change resilience at local, national and regional levels to achieve sustainable development. The President called upon all actors involved at local, national and international levels to enhance actions on climate resilience implementation.

Bridging Gaps in Policy and Practice

Having as its overall theme “Adapting and Living below 2°C: Bridging Gaps in Policy & Practice”, discussions during the Adaptation Forum focused on climate change adaptation planning, mobilizing financing for adaptation, promoting climate-resilience and sustainable development as well as strengthening the role of actors at different levels and partnerships. The Paris Agreement 2016, along with the Sustainable Development Goals 2030, has brought a new impetus to achieve a global long term temperature increase goal of well below 2 Degrees Centigrade and strive for 1.5 degrees if possible.

Participants explored various pathways for translating policies into practices and upscaling practices to meet the scale of adaptation needs including participation from the private and financing sectors. There were deliberate efforts to learn lessons from a decade of adaptation policy and action, looking not only at what worked, but also at what did not.

Adaptation Planning

- a. Whilst policy and institutional frameworks are being advanced to address climate adaptation, accompanied by decision making for implementing adaptation plans across the Asia Pacific region, opportunities and solutions continue to be needed to strengthen inclusiveness, vertical integration between national and local planning, and engaging a wider range of stakeholders from across government agencies, the private sector and practitioners at the local level. Adaptation planning should shift to long term timelines, aligned with national economic and development planning, whilst projects and their financing should be short and long term to realise priorities.

- b. Capacities continue to be needed, especially in least developed countries, low lying regions and island nations, at national and local levels, to interpret and execute solutions as well as strengthen monitoring and reporting to national adaptation goals, as well as the Paris Agreement and relevant Global Sustainable Development Goals. Capacity gaps at national level must be addressed so as to enable translating and executing global and regional decisions (e.g. for implementing national adaptation goals, monitoring and reporting and adaptation communication).
- c. Partnerships for solutions and linking science to policy and actions continue to benefit those needing support to adapt - including governments, individuals, Civil society, Private sector, academia, Media - but need further strengthening
- d. Awareness of the impact of climate change and how to adapt must be increased to inform the vulnerable as well as policy makers for decision making on financing, technology, job creation, migration and infrastructure development. Climate Resilient Development that integrates social, economic and environmental solutions is essential to support adaptation planning and implementation. The innovative developments in information technology and communications globally and across the Asia Pacific region must be optimised to support Climate Resilient Development.

Financing Adaptation

- a. Access to financing climate resilient development is a joint responsibility of governments, private sector, intergovernmental agencies and financial institutions and other stakeholders. Whilst financing adaptation solutions is attracting attention, good models of development, incentive mechanisms and access to co-financing and dialogue with financial planners and decision makers needs to step up. Future investments in climate resilient development programmes by governments and donor agencies should be biased in favour of assisting and enabling the poorest and most vulnerable communities to adapt.
- b. Best practices need to be better shared in knowledge platforms for integrating climate financing into development planning and budgeting systems and improvements made in the standardization of approach and methodologies.
- c. Increased transparency and openness in climate financing opportunities supporting climate resilient activities, as well as sharing plans and solutions in climate mitigation and adaptation are essential.

Resilience Development

- a. Smart development planning and execution that integrates capital investment in infrastructure (airports, roads, towns, coastal areas, buildings etc.) with climate adaptation plans can contribute to social and economic benefits as well as the environment. A positive trend for climate resilient development that benefits the most vulnerable as well as economies, presents an integrated approach that links development planning and financing with resilience development. Win-win solutions not just benefit the people but their livelihoods, health and jobs that in turn benefits countries' national sustainable development.

Multi-actors Learning

- a. The power of integrated approaches, collective learning and knowledge management are being increasingly mainstreamed to deliver solutions for adaptation. The new areas of knowledge in financing, technology and monitoring and reporting are additional to the ongoing need for science and general information on adaption. Indicators of success and best practices for solutions are growing with online knowledge exchange platforms and participation in regional and sub-regional forums. The diversity of stakeholders are growing but more engagement of the business, technology and finance sectors is needed as well as from more governments agencies including finance and development. Private sector actors and investors in insurance, construction and technical education are urgently needed to join the forums on climate resilient development.
- b. Adaptation communities of practice are also better positioned to embrace new and innovative approaches being promoted globally and regionally with financial resources in response to the Paris Agreement and Sustainable Development Goals. These include South-South Cooperation, Public-Private sector partnerships and the intergovernmental forums in South, South East, East Asia and the Pacific.

Taking Action, Going Forward

- a. The rich dialogue and content shared and exchanged at the 5th Forum provide a foundation of solutions, integrated approaches, innovative partnerships and an invitation to new partners especially the private, technology and finance sectors, to join the alliances already working on climate resilient development.
- b. From Sri Lanka, the 5th Forum is calling for an urgency to be inclusive and reach out to the vulnerable, engaging with local levels and communities with increasing awareness and outreach.
- c. The diversity of committed participants at the 5th Forum of APAN pledge to take the outcomes and rich information and implement much more relevant and needed actions with urgency.

**ADAPTING AND LIVING UNDER 2°C:
BRIDGING GAPS IN POLICY & PRACTICE**

17-19 OCTOBER, 2016 COLOMBO, SRI LANKA

- d. The leaders of Asia Pacific countries are invited to build on and magnify the leadership of the Government of Sri Lanka in organising the 5th Forum. The participants pledge to inform more partners to take on the messages from the 5th Forum and turn them into action for an Asia Pacific region that is climate resilient and its people responding and adapting to the new paradigms of climate Change.
- e. The 5th Forum has successfully provided a variety of constructive and practical solutions to bridge the gap between policy and practices building on past experiences.
- f. We wish us all success going forward to bridge the GAPS.

19 October 2016
Colombo, Sri Lanka

