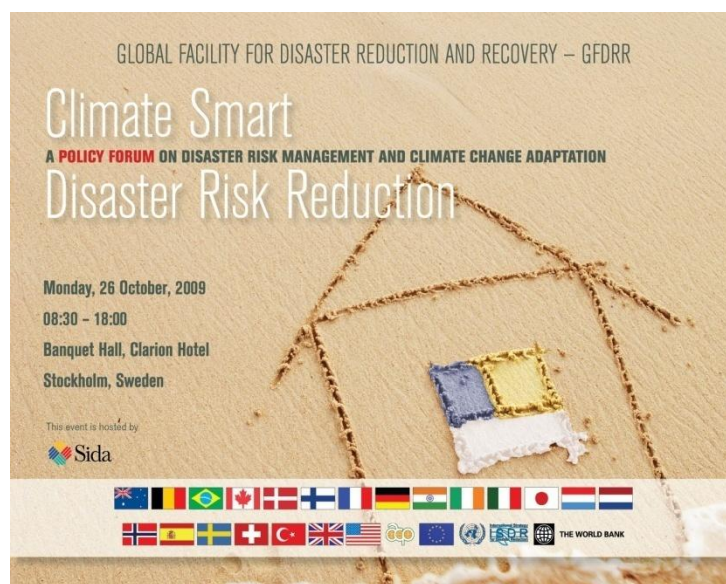


## Stockholm Policy Forum on Climate Smart Disaster Risk Management

### *Summary Report*



### **Background**

On October 26, 2009, approximately 100 representatives of governments, bilateral and multilateral donor agencies, academia, civil society organizations, and the private sector gathered in Stockholm, Sweden at the Policy Forum to discuss Climate Smart Disaster Risk Reduction.

Disaster risk management and risk reduction strategies were identified by UNFCCC Parties in the Bali Action Plan of 2007 as a key negotiating element for an agreement to be reached at the COP-15. The reduction of disaster risk is recognized as a core component of adaptation to climate change. And while there are many assumed synergies between disaster risk reduction and climate change adaptation, these are not yet in place. There are also signs of competition that has the potential to delay and derail implementing critical action on the ground.

As the Parties to the Convention on Climate Change are national governments, and it is they who will be the main implementers and managers of adaptation funding provided by the international community, the Policy Forum focused on how national level policy and practice relates to three critical challenges: promoting regional cooperation to address trans-boundary issues; supporting local level actors; and facilitating and making use of the self initiative of private markets related to adaptation activities.

The event began with two keynote interventions that set the context and provided critical insights from a donor perspective and from the ground. The bulk of the day's work then took place in three working groups focused on challenges mentioned above. Participants in each working group were asked to share their experience related to managing risk and building resilience and to generate key messages and recommendations for critical actions that would contribute to the adaptive capacity of the poor.

This document presents a brief summary of the discussions that took place and the recommendations made by participants.

### **Setting the scene**

The Forum facilitator, Maarten van Aalst, spoke of major uncertainties surrounding post-2012 institutional settings on climate change, evolving perspectives on the nature of climate change adaptation, with increasing emphasis on risk management and integrated planning, and the need for better coordination between different stakeholders. He emphasized that addressing the topics of regional cooperation, local dimensions, and private markets presents a significant challenge for the international community, notwithstanding the outcome to be achieved at Copenhagen.

Anders Nordström, Director General of the Swedish International Development Cooperation Agency (Sida) noted that climate-induced disasters are already a reality in many parts of the world, affecting the poor most severely. Of several gaps identified to address climate change, he emphasized that trust is the crucial missing link, and that we need to be prepared to work together. Quoting the Vice President of the European Commission that “there is no Plan B, because there is no Planet B,” he stressed the importance of making Copenhagen a success and urged participants to focus on practical applications of implementing climate risk management related to the three Forum topics.

Providing an African perspective, Laban A. Ogallo, Director of the IGAD Climate Prediction and Applications Centre (ICPAC), emphasized that poverty was the key concern in this most vulnerable continent, and that climate-smart adaptation requires integrating environmental, economic, and social dimensions. He refuted commonly raised excuses for not taking action, such as data availability, the accuracy of models, and institutional constraints, noting that there are ways to gather data effectively. He stated that in Africa existing regional institutions are already acting as centers of excellence to support resource mapping and early warning systems. Ogallo detailed several existing gaps in the region, including knowledge, gender, youth, communication systems, literacy, technology, education and awareness, policy and implementation, and duplication of efforts including by donors. He emphasized the need to develop capacity and to work in an integrated fashion on reducing underlying vulnerability related to climate hazards.

### **Promoting regional cooperation**

Working group participants discussed successful practices and lessons learned related to cooperation on issues such as shared water resources and biodiversity that are so vital to climate adaptation. Several particular challenges were identified where regional cooperation is absolutely essential, including climate-induced migration, mega-cities at risk and glacial melting.

A number of **experiences with river basin management presented concrete opportunities for trans-boundary cooperation on climate risk management** (e.g. Danube basin with 13 countries). Other experiences demonstrated how regional cooperation can enhance learning opportunities (e.g., disaster preparedness in Cuba, a regional Master's degree on climate change), while additional examples revealed effective data collection and sharing that was having an impact (e.g., SADC cooperation and Zambia). Related to data collection, participants discussed that it would be useful to map smaller scale hazard events, and noted the importance of sharing guidelines and standards while at the same time building on indigenous knowledge for risk management.

The group agreed that **ecosystems are the most logical unit of management for hazards** (e.g. watersheds), and that stronger links with ecosystem-based management should be underlined (e.g., mangrove restoration and communities).

**Better use and coordination with existing institutions and mechanisms was a strong theme of the discussions.** Improving coordination with existing conventions (e.g., Convention on Biodiversity, UN Convention to Combat Desertification, and UNFCCC) for adaptation goals, incorporating disaster risk reduction and regional cooperation aspects into NAPAs, and strengthening the capacities of existing regional organizations for coordination were all emphasized.

**Partnership with non-traditional institutions, and participatory, bottom-up approaches were stated to be critical for successful implementation and for making things concrete.** Community level coping mechanisms are crucial for resilience and several examples were discussed where trans-boundary, cross-regional or South-South civil society networks were making a difference (e.g. fishermen in East Africa, COMIFAT, grassroots women from India working in Guatemala and Jamaica).

### **General recommendations for fostering regional cooperation included:**

- (i) identify actors involved in the regional dimensions of disaster risk reduction and adaptation and work through existing institutional arrangements;

- (ii) strengthen the capacity of regional organizations to coordinate activities;
- (iii) enhance knowledge exchange among stakeholders in DRR and CCA, and inform national policy through the preparation of joint strategies;
- (iv) emphasize the role of technologies to forge regional cooperation activities;
- (v) stress ecosystem services as an underlying factor to the issue; and
- (vi) encourage bottom-up approaches to inform policies.

**The GFDRR, like other global partners, should adjust to the increasing role of regional organizations to coordinate DRR/CCA activities;** it should conduct regional-scale risk assessment; and strengthen engagement with CSOs and advocate for regional cooperation among community-based organizations.

### **Supporting local actors**

The impacts of global climate change are felt at a local level. The autonomous adaptive capacity of poor communities will depend on the effectiveness of planned adaptation at different levels. Participants in this working group explored various dimensions of local adaptive capacity and shared good examples of local communities and authorities working with higher level entities to affect positive, sustainable change on the ground.

The group agreed that in addition to infrastructure and technical hardware solutions, **more emphasis on software issues and people's existing capacities to cope and adapt was needed.** Local community resilience building must be seen in the context of four elements – (i) income diversification to reduce risk; (ii) institutions (it is key to have functioning formal and informal institutions, cooperatives, and associations at local level and to link them to national and global counterparts); (iii) markets (stronger emphasis on understanding different markets including agriculture, labor markets, and mobility); and (iv) political space (we need a functioning civil society and trust building between people and elected officials; creating demand at the local level is critical).

Similar to the discussion on regional cooperation, the **local dimensions working group called for bottom-up approaches and the use of existing social networks to integrate adaptation and risk reduction into ongoing development efforts.** Climate change adaptation and disaster risk reduction are additional priorities on a long list of existing developmental issues. The group agreed that grounding policy at the local level cannot be done by international organizations but rather must be owned by local civil society; practice should influence policy and the trust and confidence gap must be overcome by

adopting bottom-up approaches. The GROOTS India model was discussed as good practice in using existing social networks to promote climate risk management that avoided creating another sectoral silo.

Finally, the group discussed **decentralization as a long-term political process that builds on the incentives created by funding and resources** (and the need for resources to follow the delegation of responsibilities to local levels). Participants explored how to change the rules for access to assets being decided on the local level through semi-formal decision making processes and agreed that new funding models and incentive structures need to be explored.

**General recommendations to support adaptation at local level include:**

- (i) Fully utilizing the implementation of the Hyogo Framework for Action as a vehicle for climate smart development and adaptation;
- (ii) forging norms and incentives that foster a bottom-up collaboration and participatory planning of priorities; learning from the evolving local partnerships and practices to build resilience and facilitating direct participation of vulnerable communities/citizens;
- (iii) developing local monitoring frameworks for resilience tracking; and promoting local platforms for vulnerability analysis and the development of pro-poor strategies.

**The GFDRR was stated to be well placed to contribute to these goals by serving as a broker, advocate, convener, funder of innovative practices and a venture capitalist for risk management.** It should also serve to bridge the disconnection between policy and practice.

**Engaging private sector**

Given the enormous financing needs for adaptation, the private sector will be a key player in supporting investment. Participants in the third working group explored ideas for harnessing the resources, imagination and mobilizing power of the private sector to support innovative and widespread risk management in a changing climate.

Communication between public and private sectors was explored in depth and the related obstacles that prevent a common understanding. **Participants expressed a need for governments to facilitate platforms to bring the private sector into the discussion on adaptation** and disaster risk management by creating a neutral ground for stakeholder dialogue at the highest level. One suggestion was to promote research to identify opportunities for the private sector in the field of climate risk management

among the most vulnerable sectors of the global population, for example, to encourage companies facing saturated markets to come up with basic mobile phones that are less reliant on electric power.

**Government could facilitate market interventions to promote innovations in climate risk management,** focusing on diversity of actors (small and medium size companies) and diversity of sectors (not just one single aspect of CCA). There was a consensus that innovation should not only be technologically driven but also institutional; and that governments should offer the right incentive structure to build long-term sustainable thinking and promote risk reduction in an environmentally sound manner.

**Acting as a catalyst agent, GFDRR could assume initial risk and promote pilot projects that can then be undertaken by the private sector.** Serving as “venture capitalist,” this could promote projects where small companies or local entrepreneurs develop solutions to problems faced by the poor at a smaller scale. If successful, bigger companies can scale up the services/products. GFDRR can also ensure that donor contributions are earmarked to address community needs with flexible funding and strong accountability.

**General recommendations for promoting private sector engagement in climate risk management include:**

- (i) provide platforms that enable public-private sector dialogue on DRR, backed by pilot projects with evidence of what works e.g. housing in South Asia (UNISDR);
- (ii) provide market interventions to stimulate DRR innovation based on diversity of actors and sectors (in such a way that all small and big players are able to participate, not just big companies);
- (iii) promote mechanisms of more efficient DRR information and strategy sharing across borders;
- (iv) enforce current codes to create resilience and environmentally-friendly build back in disaster projects financed by them;
- (v) create incentives for long-term investments in sustainability; and,
- (vi) finance pilot evidence of private sector intervention in a South-South cooperation framework.

**GFDRR can** (i) both as a venture capitalist for adaptation; and as a catalyst for big companies to outsource design and implementation of solutions to local small and medium size companies in

developing countries; (ii) serve as a broker for knowledge platforms and advocate for bottom-up approaches, investing in local, community-based knowledge; and (iii) promote and/or finance research on innovative ways for the private sector to support DRR and adaptation among the most vulnerable.

### **Outcome of the Policy Forum: Key messages**

There were several recurring themes that emerged across all three working groups. One that resonated throughout was the need for a coherent, integrated approach to adaptation and risk reduction. There is a clear need to reach out across disciplines for enhanced coordination and learning. There was also a strong call in all three working groups to promote bottom up approaches and engage civil society and grassroots groups in decisions making processes. In addition, making better use of existing networks and mechanisms was strongly emphasized, including mobilizing social networks for adaptation goals, strengthening the capacities of existing regional institutions for improved coordination, and promoting more South-South cooperation among public and private sector actors. Finally, promoting ecosystems and sound environmental management approaches to disaster risk management and climate change adaptation was strongly emphasized in all groups.

The working groups generated a number of specific suggestions for GFDRR to take forward with partners as it develops its own approach to supporting adaptation efforts. Participants emphasized the potential for GFDRR to serve as a hub for knowledge generation and exchange, a broker, an advocate, a convener, a catalyst to promote collaboration and coordination at regional levels; and a venture capitalist of climate risk management. All groups emphasized the importance of GFDRR to increase its outreach and engagement of various stakeholder groups relevant to adaptation but not sufficiently involved in it, including grassroots, civil society, regional organizations and the private sector. Additionally, numerous new initiatives were conceived during the event as a result of informal dialogue between two or more participants from different sectors or regions who would normally not cross paths.

The importance of an integrated approach to climate risk management was noted as critical for all donors and governments. In this connection, an important output of the Policy Forum includes a joint communiqué signed by the leadership of the three Forum organizers in which they commit themselves to promoting this integrated approach to their respective institutions' support to adaptation efforts. The statement will be used internally within each organization to promote cross-disciplinary dialogue and cooperation, and can also be used to facilitate similar commitments from other donor agencies.