

# Private Sector Adaptation Finance and Nature Based Solutions

9am US Eastern Standard Time, 23 September 2020 | Climate Week NYC 2020

## Background

In 2018, nearly 62 million people were affected by climate events<sup>1</sup>. Climate events, such as storms, droughts, and sea level rise will continue to occur even as we strive for no more than 1.5C change in temperature. As climate events occur more often, funding to help people adapt to climate change will also need to increase. The Global Commission on Adaptation estimates the cost of adaptation to be \$180 billion per year between 2020 and 2030<sup>2</sup>. Most climate finance for adaptation comes from public and concessional sources, which is becoming scarce. Private investment in adaptation needs to be scaled up. More specifically investments into disaster risk mitigation in coastal areas need to be scaled up considering it receives the least amount of investments compared to any other adaptation sectors<sup>3</sup>. Investing in coastal adaptation is especially important since more than 600 million people (around 10 per cent of the world's population) live in coastal areas that are less than 10 meters above sea level<sup>4</sup>.

Many adaptation activities require investments and finance so that they can be effectively implemented but adaptation activities that focus on nature-based solutions to address disasters are cost effective and offer multiple benefits. For instance, reefs and mangroves not only offer protection from wave heights and wind during storms, but they also enable people to economically benefit from them through fishing and tourism. Such ecosystems also provide food security. ***The challenge is how can the private sector support nature-based solutions to help people adapt to climate change and build resilience to disasters? And what can be the potential financial targets for both the government and the private sector to build coastal resilience?***

This is an apt question to discuss on the day of the Biodiversity Summit. We need to find a roadmap towards increased investment in Nature for the health of people and ecosystems.

## Objectives

In this session, jointly organized by The Nature Conservancy, Stockholm Environment Institute, and UNEP, experts from climate finance, private sector, and adaptation fields will share their views on how to increase funding for nature-based solutions to build resilience in coastal areas. They will offer:

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<sup>1</sup> UN WMO 2018

<sup>2</sup> Buchner 2019

<sup>3</sup> Buchner 2019

<sup>4</sup> UN 2017

1. Evidence that nature-based solutions in coastal areas help people adapt to climate change
2. Financial instruments that can support nature-based solutions
3. Strategies on how the private sector can play a role in adaptation

By the end of the session, concrete recommendations will be provided on a finance roadmap to support nature-based solutions to reduce disaster risks.

## Program

### 1. Opening Remarks:

Moderator, *Mr. Butch Bacani*, UN Environment Finance Initiative (UNEP FI)

### 2. Creating a Business Case for Investing in Nature-based Solutions

- a. Creating a business case for Nature-based Solutions – the need: *Ms. Karen Sack*, Ocean Risk and Resilience Action Alliance
- b. What is the current evidence related to the business case? *Dr. Nathalie Doswald*, UN Environment
- c. Financing Nature-based Solutions and need for innovative financial instruments, *Ms. Eva Mayerhofer*, European Investment Bank

### 3. Financial instruments that support nature-based solutions in coastal areas

- a. Insuring natural infrastructure in Mexico, *Mr. Mark Way*, The Nature Conservancy (TNC)
- b. Sustainable Financing of Palau's Protected Areas Network, *Dr. Yminang Golbuu*, International Coral Reef Research Center
- c. Mangroves and Carbon Credits in Kenya, *Dr. James Kairo*, Kenya Marine and Fisheries Research Institute
- d. Ability to leverage insurance processes and tools during the planning and design stages to protect nature, *Ms. Cherie Gray*, Swiss Re
- e. **The Road Forward: What can be potential financial targets for both the government and the private sector to build coastal resilience?**
  - i. *Mr. Mark Way*, The Nature Conservancy
  - ii. *Dr. Richard Klein*, Stockholm Environment Institute
  - iii. *Mr. Butch Bacani*, UN Environment Finance Initiative

### 4. Closing Remarks: *Mr. Butch Bacani*, UN Environment Finance Initiative

Co-organized by **The Nature Conservancy (TNC)**, **United Nations Environment Programme (UNEP)** and **Stockholm Environment Institute (SEI)**.

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