

### **Breakout group 2:**

What is the role and importance of enabling environments (e.g. policies/strategies, institutions, capacity) to effectively apply financial instruments that address the risks of loss and damage?

### **MAIN ISSUES DISCUSSED**

- **Enabling environment for whom?**
  - **Beneficiaries**
    - ✓ Understanding the need
    - ✓ Delivery
    - ✓ Understanding the financial product



### ■ **Government**

- ✓ Understanding the risk, context of other programmes and gaps
- ✓ Policy and regulation
- ✓ Comprehensive / holistic risk management strategy
- ✓ Capacity of government to negotiate with private sector
- ✓ Incentives
- ✓ Financing
- ✓ Knowledge management and sharing



- **Financial instrument provider**

- ✓ Data
- ✓ Appropriate regulatory environment
- ✓ Incentives
- ✓ Regional knowledge management

