

# **UNFCCC Workshop under Nairobi Work Programme**

Increasing economic resilience to climate change  
and reducing reliance on vulnerable economic  
sectors, including through economic diversification

28-30 April 2009

Cairo, Egypt

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**Reporting back from breakout**

**Group 1**

**Increasing economic resilience and reducing  
reliance on vulnerable economic sectors to  
climate change at**

**COMMUNITY LEVEL**

# Questions to guide discussion

- *What is resilience?*
- *What are indicators of resilience?*
- *What are gaps and barriers?*
- *What are methods and tools that may enhance resilience, including economic diversification?*
- *Recommendations....*

# Indicators of Economic Resilience

## Production (primary and secondary sectors) and Services

- **Markets:** price regulation, capital available, competitiveness, total cost/ unit
- **Finance:** access to effective saving mechanism & credit
- **Natural Resources:** efficient water management practices
- **Social:** social safety nets, level of organization
- **Human:** access to training, skills, mobility
- **Access to Information:** local languages, communication strategies to make information accessible and relevant to communities
- **Gender Equality:** equitable access to resources

# Indicators of Economic Resilience

## Enabling Environment

- **Governance:** good governance/transparency, co-ordinated governance for adaptation, flexible and adaptive management institutions, effective monitoring and enforcement, flow of information
- **Social**
  - Education: flexible learning systems, financial literacy, accessible language, methodologies to communicate knowledge, training
  - Health: healthy labour force (HDIs, access to health facilities)
- **Infrastructure:** transport & communication systems, presence of hard & soft defence structure, water management infrastructure

# Stakeholders

- **Community/civil society** (incl. CBOs, unions, farmers/livelihood groups, indig peoples)
- **Government** (local, national, supranational, traditional authorities)
- **Private Sector** (business orgs, value chain actors)
- **Research Institutions**
- **INGOs**
- **Donors**
- **Media**

# Focus on Gaps and Barriers

## There are lack of:

- **Education and knowledge:** lack of understanding CC, impacts & adaptation. Finance/business skills. Strengthening existing production system, skills for alternative livelihoods
- **Access to adaptation technologies:** Agri.(e.g. seeds, cell phones)
- **Access to information:** lack of availability of “best practices” on ED, importance of local knowledge.
- **Access to finance:** insurance and credit

# Focus on Gaps and Barriers (cont;)

## There are lack of:

- **Good governance:** integrated planning, effective participation of stakeholders, lack of demand-driven processes, lack of willingness of decision makers to invest in adaptation
- **Communication and co-operation between stakeholders**
- **Infrastructures such as adequate transport and telecommunications**
- **Recognition of rights of indigenous peoples and other marginalized groups**
- **Effective social safety nets/ social protection**

# Recommendations

- Enhancing microinsurance opportunities at community level
  - Increase in availability of reinsurance
  - Develop incentives for “local”/national insurers to enter market
  - increase access of community entrepreneurs to education on finance tools/mechanisms of MI through development of training materials and channels
  - Identify measures to link micro-insurance with existing social protection measures
- Mainstream indigenous/local knowledge into planning, policy and coping strategies to better enhance ER of communities and equip decision-making at local, national, international levels.
  - Develop effective tools and processes for strengthening participation of indigenous and local knowledge in decision-making
  - Facilitate documentation of knowledge on production and natural resource management, livelihood strategies, coping strategies, benefits of ER,
  - Facilitate dissemination of knowledge and exchange of information to multiple levels
  - Develop mechanisms for interfacing of scientific knowledge and community experiential knowledge on climate / weather information



# Recommendations (cont;)

- **Develop mechanisms to assess co-benefits of economic diversification options at community level.**
  - Strengthen tools for assessment of investment in existing and new alternative economic sectors at community level
  - Promote mechanisms that facilitate discussion of stakeholder interests and incentives for economic diversification
- **Enhance women’s access to resources for economic resilience.**
  - Engender policies to facilitate women’s access to resources
  - Ensure resource allocation to target women through gender-budgeting (and monitoring) at national and community levels
  - Ensure participation of women in decision-making bodies at community level
- **Identify incentives for private sector to develop markets for accessible technologies (e.g. Renewable energy)**
  - Develop market linkages and agent/distribution channels that are cost-effective
- **Facilitate sharing and dissemination of best practices on economic resilience options and tools**
  - Establish a “case study library” of successes, ‘failures’, and lessons learned