

UNFCCC Technical Workshop on Increasing Economic Resilience to Climate Change and Reducing Reliance on Vulnerable Economic Sectors Through Economic Diversification

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Report of Group 3

Reducing reliance on vulnerable economic sectors to climate change at the national level, including through economic diversification

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- Definitional Issues
 - Examples of Vulnerable Sectors
 - Measures/Indicators of Reliance on Economic Sectors
 - Gaps, Needs, Challenges
 - Recommendations

EXAMPLES OF VULNERABLE SECTORS

- 1 **Agriculture- Fishing and Forestry**
- 2 **Tourism**
- 3 **Energy Sector**
- 4 **Water**
- 5 **Transport**
- 6 **Construction**

MEASURE/INDICATORS OF RELIANCE ON **VULNERABLE ECONOMIC SECTORS**

- **GDP- What percentage of the sector accounts for the country's GDP?**
- **Exports-What percentage of the sector accounts for the country's exports?**
- **Employment-What percentage of the workforce is employed in a sector?**
- **Traditional sources of income**

GAPS

- **Institutional capacity**
- **Technology for new industries**
- **Modelling of climate change impacts**
- **Lack of Knowledge of new markets and technology**
- **Lack of data (data on meteorological parameters, social and economic data, geographic data, data on natural resources, national statistics and agricultural data to name a few)**
- **Policy development and policy development capacity**

NEEDS

- **To incorporate economic and social concerns into national strategic plans**
- **Require buy-in for Economic Development strategies from all levels (National, Municipal and Community)**
- **To create an enabling environment for new industry (education, marketing and infrastructure)**
- **Educational institutions that will assist in re-skilling the workers in vulnerable sectors**
- **To identify markets for new economic products and services**

CHALLENGES

- **Psychological barrier to change**
- **Significant investment in re-skilling**
- **Include the concerns of vulnerable groups e.g. women, into economic diversification strategies**
- **Increase in unemployment**
- **Knowing when to make a change**

RECOMMENDATIONS

- **Parties to promote capacity building**
 - **Academic**
 - **Technical/Vocational skill**
 - **Retraining , multi-skilling workforce**
 - **Scholarships**
- **Parties to identify vulnerable groups for targeted interventions**
- **Parties to create financial incentives for investment e.g foreign direct investment including training of local counterparts**
- **Parties to encourage multi-stakeholder participation in long term policy development**
 - **Legislation as a mechanism to promote long term policy**
- **Encourage regional economic groups e.g. EU, CARICOM, IGAD in East Africa for Parties**
- **Create or utilise centres of excellence within regional groups e.g. CCCCC**

RECOMMENDATIONS

- **Parties to utilise the expertise of specialised inter-governmental agencies and organisations to assist in preparing countries for economic diversification e.g. FAO, UNCTAD, ILO, WTO, UNWTO, WMO**
- **Parties to utilise the non-governmental organisations in reaching industry and community levels to facilitate economic diversification**
- **Utilise bilateral relationships to encourage economic diversification**
- **Raise awareness about climate change**
 - **Private Sector**
 - **Professional organisations**
 - **International and local organisations for vulnerable sectors e.g banana growers association, overarching international bodies.**

Identifying ways to increase international and regional co-operation

- **Participation at the international fora e.g. WCC3, UNCSD.**
- **Technical Co-operations, EU, IDB**



THANK YOU