



Highlights of the 2016 SCF Forum

This year, upon the invitation of the Executive Committee of the Warsaw International Mechanism for Loss and Damage, the Standing Committee on Finance (SCF) convened its fourth forum focusing on “*Financial instruments that address the risks of loss and damage associated with the adverse effects of climate change*” from 5-6 September in Manila. The forum was hosted by the Asian Development Bank in collaboration with the Climate Change Commission of the government of the Philippines.

Around **200 participants** attended the two-day SCF forum, representing different regions and a variety of institutions, including public and private sector, NGOs, think tanks and international organizations. The forum was enriched by **20 technical presentations** and **14 break-out group and plenary discussions**. The Executive Secretary of the UNFCCC, Ms. Patricia Espinoza, Secretary Emmanuel de Guzman of the Climate Change Commission of the Government of the Philippines and ADB Vice-President for Knowledge Management and Sustainable Development, Mr. Bambang Susantono, addressed participants of the forum during high-level statements.

The forum explored the range of existing financial instruments operating at different levels that are used to address the risks of loss and damage. It focused, in particular, on risk transfer schemes, social protection schemes, catastrophe and resilience bonds, and contingency finance and discussed respective opportunities, challenges, limitations and gaps. It also explored ways for scaling up, replicating good practices and finding new financing options. Participants further exchanged views on the roles and functions of different actors and ways of strengthening linkages and collaboration between private and public stakeholders.

Among other aspects and as some overarching **takeaways**, the discussions during the forum revealed that:

- **A holistic and integrated approach** is needed in addressing the risks of loss and damage. Aside from finance, critical elements include enabling policies, the capacity of communities and the involvement of the private sector.
- There is **no one-size-fits-all approach** to the mobilization of support to address the risks of loss and damage due to the different circumstance of the countries impacted and the types of climate impacts experienced. It is in this regard that **smart designs** and a **combination of financial instruments** should be further developed and explored.
- There is a **diverse set of financial instruments** that can be used to address the risks of loss and damage. However, the **strengths, weaknesses and limitations** such as the **suitability, sustainability, affordability** and **accessibility** of these instruments should be taken into account when designing the appropriate response.
- It is critical **to engage and share knowledge among stakeholders across different spaces** to ensure that a broad range of actions is identified and pursued.

The two days provided many insights and much food for thought on the mix and use of different financial instruments. The SCF will report the outcomes of the forum to **COP22** in **Marrakech** in November and hopefully the outcomes will be considered in the future work of the Executive Committee.

Presentations and additional material can be accessed at the SCF forum website: <http://unfccc.int/9410.php>



Participants of the 2016 SCF forum, 5-6 September, ADB Headquarters, Manila