

**Sixteenth meeting of the Adaptation Committee  
Bonn, Germany, 9 to 12 September 2019**

**Information note on the technical examination process on adaptation**

**Recommended action by the Adaptation Committee**

The Adaptation Committee (AC), at its 16<sup>th</sup> meeting, will be invited to reflect on the results and evaluation of the 2019 TEP-A, consider draft recommendations for inclusion into its report to COP 25 and agree on the theme and plans for the 2020 TEP-A.

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## 1. Introduction and background

1. Decision 1/CP.21 established the technical examination process on adaptation (TEP-A) from 2016-2020 to identify concrete opportunities for strengthening resilience, reducing vulnerabilities and increasing the understanding and implementation of adaptation actions.<sup>1</sup> COP 21 decided that the TEP-A will be organized jointly by the subsidiary bodies, conducted by the Adaptation Committee and supported by the secretariat.<sup>2</sup>
2. The TEP-A consists of various components, including annual technical expert meetings focusing on specific policies, strategies and actions, and, on the basis of these meetings, a technical paper and summary for policymakers on opportunities to enhance adaptation action and options to support their implementation.<sup>3</sup>
3. An assessment of the technical examinations processes on mitigation and adaptation was concluded by COP 23, resulting in a number of adjustments being made to improve the effectiveness of both processes. These adjustments included better integration with the Marrakech Partnership for Global Climate Action, greater focus on specific policy options and opportunities that are actionable in the short term, an invitation to expert organizations to volunteer to lead the TEMs, making the TEMs more interactive, making the agenda and questions for the TEMs available in advance of the meeting, concluding each TEM with a session proposing ways forward and necessary actions, and inviting Parties and non-Party stakeholders to organize regional TEMs that build on existing regional events with a view to scaling up actions in regional contexts.<sup>4</sup>

## 2. 2019 TEP-A

4. At its eleventh meeting, the Adaptation Committee endorsed the topic of *Adaptation finance, including the private sector* for the 2019 TEP-A.
5. The TEP-A work under this topic complemented and expanded upon the Adaptation Committee's recent work on the private sector, including a workshop held from 29-31 October 2018 in Geneva, Switzerland on *Fostering engagement of the agri-food sector in resilience to climate change*.
6. In accordance with the invitation by COP 23 for expert organizations to volunteer, through the secretariat, to lead the organization of the TEMs, six organizations volunteered for the 2019 TEM-A, namely, the Adaptation Fund, the Climate Technology Centre and Network (CTCN), Green Climate Fund (GCF), the International Federation of Red Cross and Red Crescent Societies (IFRC), the Stockholm Environment Institute (SEI), and the UN Environment-Technical University of Denmark (UNEP-DTU) Partnership.
7. The TEM was held on the margins of the fiftieth session of subsidiary bodies (SB50), taking place over two days from 25-26 June 2019 in Bonn, Germany. It included seven sessions on the following topics:
  - a) Overview of evolving and emerging sources of adaptation finance;
  - b) Maximizing synergies in the climate finance architecture: lessons learned, opportunities and challenges;
  - c) Perspectives on assessing the impacts of adaptation finance of different scales;
  - d) Adaptation planning for focussing action and increasing adaptation finance;
  - e) Adaptation planning and financing at different scales (regional, subnational and community level);
  - f) Financing commercialization of adaptation technology solutions;
  - g) Financial instruments to mobilize private sector engagement in climate resilience.

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<sup>1</sup> Decision 1/CP.24, paragraphs 124-125

<sup>2</sup> Decision 1/CP.24, paragraph 126

<sup>3</sup> Decision 1/CP.24, paragraph 129

<sup>4</sup> Decision 13/CP.23

8. All sessions of the TEM-A were livestreamed, and are available for on-demand viewing<sup>5</sup>, allowing a much broader audience to access the TEM-A discussions and benefit from the 2019 TEP-A.
9. During the TEM-A, Sli.do, an online question-and-answer and polling platform, was used to engage the audience in Bonn and those watching from home. It enabled attendees and viewers to ask questions during keynotes and panels via their phones, tablets, or computers, which were then incorporated into the discussions by the moderators.
10. The secretariat, in partnership with the volunteer expert organizations leading the 2019 TEM-A, publicized the event to encourage interested stakeholders to participate in person or virtually. Prior to the TEM-A, the event was promoted via the secretariat's various social media channels, including the Adaptation Exchange Facebook page and Twitter account (@AdaptXChange). Additionally, two articles were featured in the UNFCCC newsroom—one announcing the event<sup>6</sup> before it took place and one summarizing the event<sup>7</sup> after it concluded—that were shared via the UNFCCC's social media accounts, including Twitter, Facebook, and LinkedIn.
11. Following the success of a similar effort for the 2018 TEM-A, the secretariat also organized two 15-minute Facebook Live panel sessions linked to the TEM-A, which featured panellists and representatives of lead organizations that distilled the discussions from each day into key insights and ideas accessible to a non-specialist audience. The Facebook Live panel that took place on the first day<sup>8</sup> of the TEM-A has, as of 15 August, reached 1,550,000 users, and the panel that took place on the second day<sup>9</sup> has, as of 15 August, reached 2,750,000 users. In each case, the live panels were featured on both UNFCCC primary channels and the UNFCCC Adaptation Exchange page, and also promoted or streamed simultaneously by the volunteer expert organizations, including the GCF and SEI.
12. Despite the wide reach online and intense interest in the topic of adaptation finance, it proved difficult to maintain a large in-person audience throughout the two-day event. At the opening of the meeting, an estimated 150 audience members were in attendance, but the number dwindled during the course of the day and subsequently ebbed and flowed until the close of the meeting. Possible reasons for this include the intensity of the negotiations, particularly on loss and damage, during the second week of SB 50, the length of the individual sessions and overall meeting, the overreliance on traditional moderated panel formats, and the lack of interactivity beyond the use of Sli.do and limited moderator exercises (i.e. an icebreaker activity and a very short breakout group session).
13. A technical paper is being drafted on the basis of the TEM-A and the regional TEM-As that have taken place to date. The paper is currently being finalized and will be published in advance of COP 25. Those short summary reports of the regional TEM-As that were sent to the secretariat are included in the annex to this document, and more information on the 2019 regional TEM-As is available in Section 4 below.

### 3. Recommendations for policymakers from the 2019 TEP-A

14. The following key recommendations for policymakers can be distilled out of the discussions held at the 2019 TEM-A in Bonn in June 2019, and the regional TEM-As held as of 20 August 2019. The Adaptation Committee may wish to consider forwarding the following recommendations to the COP.
15. The COP may wish to:
  - a) Encourage Parties to use their policy instruments to incentivize private sector financing of adaptation action in various ways, including by de-risking investments in adaptation to unlock and scale up private sector investment or imposing requirements for the private sector to invest in adaptation efforts relevant to their businesses;
  - b) Invite relevant institutions under the Convention and non-Party stakeholders to help overcome barriers to private investment in adaptation by stimulating project development, communicating

<sup>5</sup> See <http://tep-a.org/technical-expert-meetings-on-adaptation/2019-2/agenda-technical-expert-meeting-on-adaptation-2019/>

<sup>6</sup> See <https://unfccc.int/news/experts-to-meet-in-bonn-to-drive-forward-action-on-adaptation-finance>

<sup>7</sup> See <https://unfccc.int/news/experts-in-bonn-shine-a-light-on-scaling-up-adaptation-finance>

<sup>8</sup> See <https://www.facebook.com/The.Adaptation.Exchange/videos/854387978276346/>

<sup>9</sup> See <https://www.facebook.com/The.Adaptation.Exchange/videos/672201593203432/>

- climate information, including risks and costs, helping governments implement enabling policies and organizing capacity-building workshops;
- c) Encourage Parties and non-Party stakeholders to take into consideration that finance mobilized through multilateral climate funds currently represents only a small fraction of total finance for adaptation, and therefore resources acquired through these funds will have only limited impact unless they are coupled with additional public and private resources;
  - d) Encourage Parties to align domestic expenditure and climate change action with a view to catalysing domestic and international finance at both the national and subnational level, and therefore help advance government priorities and meet adaptation needs;
  - e) Encourage Parties to leverage national planning documents and instruments, such as NAPs, NDCs, and GCF country programmes, to coordinate their efforts and priorities, generate project proposals, and identify appropriate sources of adaptation finance;
  - f) Encourage civil society organizations and other local-level actors to continue their efforts to increase transparency of adaptation finance and build trust among the communities to which the finance is directed;
  - g) Encourage Parties to build networks with these civil society and local-level actors referred to in paragraph 13(e) to help deliver greater results with the limited finance available;
  - h) Urge Parties to develop and implement robust and iterative national adaptation planning processes that engage the private sector and integrate gender considerations to catalyze large scale finance for adaptation that addresses the needs of the most vulnerable;
  - i) Encourage Parties to ensure that their Technology Needs Assessments and Technology Action Plans are complete and up to date, with a view to advancing technology transfer and the commercialization of adaptation technologies;
  - j) Invite Parties and relevant non-Party stakeholders to engage in awareness raising activities, develop new finance mechanisms, and build partnerships with industry associations to expand the market of adaptation technology solutions by accelerating the development, deployment, and transfer of these technologies;
  - k) Express appreciation to organizations that volunteered to lead the 2019 TEM-A, as well as those who organized regional TEM-As in 2019;
  - l) Encourage Parties and organizations to incorporate and build upon the insights and outcomes of the 2019 regional TEM-As in their efforts to plan, implement, and finance adaptation action, and to continue organizing these meetings in 2020 with a view to enhancing adaptation action at the regional level;
  - m) Encourage Parties to continue working within their regions to improve information exchange and strengthen the capacity for replication of projects and strategies for securing adaptation finance that have proven to be effective.

#### 4. 2019 Regional TEM-As

16. To date, four regional TEM-As<sup>10</sup> are planned or have taken place:

Host event	Location	Organizer(s)	Title	Date
Second Central Asian Climate	Tashkent, Uzbekistan	Regional Environmental Centre for Central Asia	Climate Finance	3-4 April 2019

<sup>10</sup> For more details on the 2019 regional TEM-As, see <http://tep-a.org/2019-regional-technical-expert-meetings-on-adaptation/>

Change Conference (CACC-2019)		(CAREC)/ World Bank		
Korea Global Adaptation Week	Songdo, Republic of Korea	Green Climate Fund (GCF)	Adaptation finance, including the private sector	11 April 2019
Latin America and Caribbean Climate Week	Salvador, Brazil	Inter-American Development Bank (IDB), Libélula, Regional Network for Climate Change and Decision Making (RNCCDM)	Adaptation finance	23 August 2019
Asia Pacific Climate Week	Bangkok, Thailand	International Federation of Red Cross Red Crescent Societies (IFRC)	Adaptation finance	6 September 2019

17. These regional meetings have complemented and built upon the substance of the June TEM-A in various ways. The meeting held in April during Korea Global Adaptation Week, for example, addressed many of the same sub-topics as the June meeting—including private sector involvement, the impact of adaptation finance, and synergies in the adaptation finance architecture—but also featured various roundtables focused on specific sectors, such as water security, health and wellbeing, and natural resource management. During Asia Pacific Climate Week, the organizers of the regional TEM-A are planning to take the findings and policy recommendations from the June meeting as its starting point, asking participants to develop concrete recommendations suited to the Asia Pacific region that are aimed at different levels of government.

## 5. 2020 TEP-A

18. At its fifteenth meeting, the Adaptation Committee agreed to narrow down the list of potential themes for the 2020 TEP-A to a list of three, namely:

- a) The 2°C and 1.5°C temperature limit at multiple levels (i.e., local, national and regional);
- b) Education and training, public participation and youth to enhance adaptation action;
- c) A summary of the TEM-A 2016-2019.

19. On 22 July, the secretariat shared a survey with the TEP-A working group, requesting that members of the group share their preference among these three themes. A total of six individuals completed the survey, four of which were Adaptation Committee members, along with two individuals who represented UNFCCC constituencies. Four respondents selected the *Education and training, public participation and youth to enhance adaptation action* topic, and the remaining two respondents selected *A summary of the TEM-A 2016-2019*. The survey offered respondents the option to explain the primary reasons behind their selection, which most respondents did.

20. Various reasons were articulated to support the theme of *Education and training, public participation and youth*. One respondent stated that, while the importance of involving all segments of society, education, and youth are often emphasized in preambular language and other facets of the UNFCCC process, they are not often addressed substantively in discussions of adaptation planning and implementation. Another respondent stressed that the topic is highly relevant and offers an opportunity to focus on the human

dimension, include all constituencies, and mobilize the power of youth in support of adaptation as it has been for mitigation. Yet another respondent answered that the topic is new for the Adaptation Committee and enables them to work more closely with youth.

21. In support of the *summary of the TEM-A* theme, one respondent noted that this will help both the Adaptation Committee and Parties to take stock of the TEM-A outcomes and revisit options for incorporating the concrete opportunities identified into the future work of the AC. This respondent further noted that the *Education and training* topic can be incorporated into the TEM-A as a session. Another respondent highlighted that, until now, not enough people are talking about adaptive responses.

22. In light of the challenges experienced with the 2019 TEM-A, the AC may wish to consider an alternative format for the 2020 TEM-A. This may include shortening the meeting and ensuring that it is more interactive and engaging by design by, for example, hosting a policy case competition<sup>11</sup> and/or a session that invites attendees to collectively design recommendations for policymakers. The Adaptation Committee could reach out to and partner with UNFCCC constituencies, Universities, research institutes, and other actors as appropriate. A TEM-A incorporating these elements could look like the following:

Time	Session	Speakers and participants
11:00-12:00	Keynotes + Q&A	TBC based on topic
12:00-13:30	Case competition I – presentation of outcomes	Students, entrepreneurs, academics, adaptation practitioners, policymakers
13:30-15:00	Lunch Break	N/A
15:00-16:30	Case competition II – presentation of outcomes	Students, entrepreneurs, academics, adaptation practitioners, policymakers
16:30-18:00	Refinement and selection of policy recommendations	All participants and attendees of the TEM-A

## 6. Next steps and recommended action by the Adaptation Committee

23. At its sixteenth meeting, the Adaptation Committee will be invited to:

- a) Agree on a theme and approach for the 2020 TEP-A, including the format for the event;
- b) Invite expert organizations, through the secretariat, to volunteer to support the 2020 TEP-A;
- c) Invite the TEP-A working group and volunteer expert organizations to begin preparing for the 2020 TEP-A, including by preparing a draft concept note and identifying contributors, while bearing in mind the assessment of the 2019 TEM-A articulated above;

24. Consider and agree on recommendations based on the key findings from the 2019 TEP-A for inclusion into the annual report of the Adaptation Committee to the COP.

<sup>11</sup> A policy case competition can be designed in a variety of ways, but generally involves teams of participants competing to develop the best solution to a policy case study selected by the competition organizers. Teams then deliver presentations for audience members and judges; the judges then typically select the winners, who are awarded cash or other prizes. Teams can present in person or remotely via video conferencing. While these competitions are typically tailored towards university students, they can be adapted to accommodate interdisciplinary teams with members drawn from various backgrounds and locations.

## **Annex: Reports of 2019 Regional TEM-As<sup>1</sup>**

### **1. Regional Technical Expert Meeting on Adaptation: Songdo, Republic of Korea, 11 April 2019**

25. The technical examination process on adaptation was established by the Paris Agreement to promote enhanced action prior to 2020. As part of this process, under the guidance of the UNFCCC Adaptation Committee and in collaboration with the UNFCCC Secretariat, the GCF Secretariat hosted a one-day in-region Technical Meeting on Adaptation (TEM-A) on 11 April 2019. This meeting took place during the Korea Global Adaptation Week from 8-12 April 2019 in Songdo, Republic of Korea.

26. The objective of this TEM-A was to share learning being gained about good practices and approaches to adaptation planning for focusing and catalyzing adaptation finance, including with the private sector and multilateral Funds. A series of plenary sessions and breakout groups delved into specific country experiences, methodologies and guidance. Specific sessions focused on synergies in the climate finance architecture; adaptation planning; private sector investment in adaptation; impact of adaptation investments; and sectoral round tables on transformative project design. An estimated 150 different participants attended different sessions throughout this day. Below is the summary of each of the sessions:

- a) Maximizing Synergies in the Climate Finance Architecture: Lessons learned, opportunities and challenges
  - i) Session summary:
    - a. The 2018 Biennial Assessment and Overview of Climate Finance Flows prepared by the UNFCCC Standing Committee on Finance estimated total climate finance flows at USD 681 billion in 2016, of which only USD 2.6 billion were channelled through climate funds. The role of climate funds in promoting synergies and piloting ideas is of paramount importance. Synergies can take place in the form of blended projects, but also in projects that build on each other consecutively, and potentially in parallel projects funded by different mechanisms through different agencies. This session focused on fostering synergies in climate finance by discussing the perspectives of countries, entities, and representatives of Funds.
  - ii) Key messages:
    - a. Country ownership remains essential to drive the process. Some countries find it challenging that international entities propose similar projects. It is difficult to prioritize which is best and GCF cannot consider all proposals.
    - b. Country planning and programming can help address some of these challenges, and national instruments and the planning documents (NAPs, NDCs, GCF Country Work Programmes) are crucial to coordinate and can be useful for wider climate finance windows.
    - c. Knowledge management is required to maintain knowledge from project to project and to enable scaling up. Since climate change adaptation is wider than one Ministry, it is not an easy transformation to manage, but it is important that one institution in the country takes a leading role in coordination with others.
    - d. Early stakeholder engagement across different sectors and Ministries is key for the success of the process, including to understand the financing landscape and to engage counterparts and define what they are doing and what projects are in place.
- b) Opportunities and best practices for private investment in adaptation
  - i) Session summary:

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<sup>1</sup> Note: Further reports will be available from recent and upcoming 2019 Regional TEM-As once they are submitted by the event organizers.

- a. This session discussed common barriers that private sector institutions face when considering investing in adaptation, with examples of innovative financial structures to overcome them. After an introduction on how the GCF Private Sector Facility works and its impact so far, panellists shared their experience in this area. Followed by the presentations, dynamic discussions between the audience and the panel were carried out around challenges in private sector investment in adaptation, as well as on the two GCF approved private sector projects managed by Acumen and CABEL.
- ii) Key messages:
  - a. There is a large gap in available finance for adaptation investments compared to the need. Public finance is insufficient, so the private sector must be more active – agriculture, forestry, water and buildings have been identified as key sectors with private investment potential.
  - b. Lack of business opportunities and lack of an awareness of business opportunities were identified as the most significant barriers to private investment. 53% of attendees identified avoided losses as the top motivation for adaptation investment, followed by new business opportunities at 33%, maintaining production at 13%, and revenue generation at 0%.
  - c. Adaptation planning at all scales can and should help to overcome barriers to private investment in adaptation by stimulating project development, communicating climate information (so that risks and costs are known), helping governments implement enabling policies and organizing capacity building workshops. Stimulating project development through adaptation planning was the highest ranked priority among participants.
  - d. GCF can further assist private investment in adaptation through its concessional financial instruments that de-risk investments and grants for technical assistance.
- c) Impact of adaptation investments for increasing resilience and reducing risk
  - i) Session summary:
    - a. This session focused on adaptation investments for high impact, based upon advanced metrics. It also addressed appropriate access modalities for adaptation financing, starting from project design based upon adaptation planning, country programming and prioritization. Operationalization of adaptation metrics was discussed in relation to GCF monitoring, evaluation, and reporting frameworks. Good practices in addressing barriers to adaptation finance by implementing effective adaptation monitoring were also shared.
  - ii) Key messages:
    - a. Climate-resilient development will need to aim at protecting vulnerable people and communities from climate-related damages, and to maximize the benefits from climate-related opportunities, in order to boost people's health, prosperity and livelihood opportunities. GCF's role is to help countries prepare for this [climate-resilient future](#).
    - b. Adaptation metrics are contextual and complex due to attribution concerns. In the water sector, the indicators associated with SDG 6 are a useful starting point for water-related adaptation projects. For agriculture, the Koronivia process under the UNFCCC is developing specific metrics for both adaptation and mitigation. Leveraging multi-stakeholder partnerships offers an opportunity for monitoring projects and across different scales and sectors.
    - c. Successful adaptation project design and development is based on strong climate science and reflects country priorities and context. As a climate fund, GCF needs science-based evidence that the problem has been caused or exacerbated by climate change. GCF's support for adaptation planning processes can help in providing countries with the assistance to generate climate projects arising from country priorities and NAPs. In order to achieve paradigm shift and systemic change, adaptation projects need to feed back into sectoral policies and plans.



- d) Sectoral Roundtables on Successful Adaptation Programmes and projects
- i) Session summary:
    - a. A set of sectoral roundtable discussions were focused on practical elements of project design and development, based on strong climate science and emphasizing country priorities and context. The roundtables were organized for the following themes: climate information and early warning systems; integrated and resilient infrastructure; water security; health and well-being; and natural resource management.
  - ii) Key messages:
    - a. Transformative adaptation needs to be seen in the bigger picture of development of the country, and adaptation projects on the ground need to feed back into the policy arena. The current challenge lies with the identification, definition, and support for such paradigm-shifting changes which are evidenced based and country owned.
    - b. The development of adaptation projects should be an open and transparent process with extensive stakeholder consultation, based upon NAPs and GCF Country Work Programmes where possible. It is essential to manage the expectations of stakeholders in terms of timelines, funding and other requirements.
    - c. Climate problem identification is crucial in GCF funded projects and programmes. NAPs are essential in providing, at the country level, the needed systems to generate the information needed for programmes and projects which are more localized and specific.
  - iii) Sectoral Roundtable: Climate information and early warning systems
    - a. Effective climate change adaptation investments, including adaptation finance, need to build up early warning systems as well as improve the capacity to act when an early warning is issued. This interactive session demonstrated how to develop an end-to-end climate risk reduction project based on Impact-based Forecasting (IbF) and Forecast-based Financing (FbF). This session also shared climate change adaptation approaches focused on building capacity in addressing extremes using information on shorter timescales. The session concluded (i) the current financing system still does not sufficiently enable anticipatory action especially in climate-related disasters; (ii) innovations like impact-based forecasting and forecast-based financing are therefore crucial to holistically build resilience to address community level vulnerabilities; and (iii) strong enabling environments especially in terms of financial regulatory frameworks are needed to increase access by streamlining faster fund processing for beneficiaries.
  - iv) Sectoral roundtable: Integrated and resilient infrastructure
    - a. The roundtable was based on a methodology for project development in the result area of Integrated and Resilient Infrastructure, in response to countries' needs and problems regarding project origination and preparation for financing. During session, participants discussed relevance of the Workshop scope presented and proposed amendments.
  - v) Sectoral roundtable: Water security
    - a. This roundtable focused on the exchange of experiences between accredited entities, executing entities, and national designated authorities in developing water projects. It facilitated south-south learning and appreciation on the GCF project approval process between entities still developing their projects with those with approved funding. The discussion concluded that it is imperative to ensure affordability of the resulting water service, especially when involving the private sector. It also concluded that important considerations are at what price point the service provider breaks even, what level of cost recovery can be attained, and how much concessionality is required.
  - vi) Sectoral roundtable: Health and well-being
    - a. This roundtable was a question and answer session with the participants that focused on project design and concept notes in the climate change and health and well-being sector.

Design of specific project ideas were discussed, including regional programmes that would be paradigm-shifting, such as with early warning systems integrated health information systems to prevent sizeable epidemics.

- vii) Sectoral roundtable: Natural Resource Management
  - a. This roundtable presented the proposed GCF natural resources integrated management approach framework that is currently under development, and through guided discussion, exchanged on practical elements of project design and development to materialize synergies across sectors and between adaptation and mitigation.

## **2. Regional Technical Expert Meeting on Adaptation – Climate finance: Tashkent, Uzbekistan, 3-4 April 2019**

27. 2019 Central Asia Climate Change Conference, Regional Environmental Centre for Central Asia, CAREC, World Bank/WB

28. Key messages:

- a) The global cost for climate change adaptation and mitigation are estimated at a staggering 4 trillion USD per year until 2030. The classical international climate financing instruments are far away from being able to cover this, thus both public and private investments in infrastructure, energy etc. will need to be aligned to the global climate targets (Climate-smart Agribusiness, Green Buildings, Smart Cities, Energy Storage, Green Bonds).
- b) Aligning financial flows with low-emission sustainable development pathways is more relevant than ever to achieve the goals of the Paris Agreement and the implementation of the 2030 Agenda for Sustainable Development. Operating energy, transport, construction and water infrastructure accounted for more than 60 per cent of global greenhouse gas emissions. However, infrastructure has suffered from decades of chronic under-investment, in both developed and developing countries. OECD estimates that \$6.9 trillion is needed to meet the climate and development goals. It is estimated that the annual cost of climate and development will be \$6.9 trillion by 2030.
- c) An unprecedented transformation of existing infrastructure systems is required. Investment deficits and the urgent challenge of climate change represent a unique opportunity to develop infrastructure systems that provide better services while protecting the environment and increasing resilience around the world. It is important to implement actions in Central Asia for greening the Belt and Road - the region's largest investments and reflect regional priorities and options to ensure sustainable development.
- d) Harnessing the benefits of rapidly evolving technologies, new business models and financial innovation is essential to creating new trajectories towards a sustainable, low-emission future. Attracting public and private resources across the financial spectrum is an important part of generating the trillions of dollars needed for sustainable infrastructure. Public finance organizations, banks, institutional investors, corporations and capital markets all have a critical role to play, both individually and as part of the financial ecosystem as a whole. Governments need to provide the right incentives to move away from financing emission-intensive projects and adopt investment and climate policy frameworks that facilitate the rapid implementation of the radical changes required.
- e) While some progress has been made, policies continue to promote a step-by-step approach to addressing climate change. The existing policy framework, budget revenues and economic interests are still linked to fossil fuels and intensive emissions activities. Greater efforts are needed that will lead to systemic change, help to overcome institutional inertia and dispose of the powerful circles that are often obstacles to low-emission sustainable development.
- f) Enhanced international cooperation through the Paris Agreement and forums such as the G7 and G20 is an integral part of the transformation: almost all G20 countries have confirmed their readiness to embark on a global energy transition process in line with the climate and

development goals of the G20's Hamburg Action Plan on Climate and Energy for Growth, adopted in 2017.

- g) There is also a growing recognition that greater action on climate change must be accompanied by a fair and inclusive transition process to address inequalities and create equal opportunities for all segments of society. Governments need to ensure that transition benefits everyone and does not disproportionately affect the poor and most vulnerable people.
  - h) It is certain that funding for climate initiatives in Central Asian countries within the framework of the GCF, private sources and bilateral partnerships will increase in the coming years. Accordingly, countries can envisage the possibility of preparing regular national resource mobilization and expenditure reports (e.g., Climate Change Public Expenditure Reviews), which will enable them to have a comprehensive picture of climate financing, identify gaps and track progress on targets in accordance with their own INDCs.
  - i) Private investment can be a powerful accelerator in attracting financial resources for climate change projects, especially in the area of reducing greenhouse gas emissions (energy efficiency, renewable energy development). In this respect, it is important to consider such financial flows alongside the funds that are allocated from specialized funds, and to make efforts to improve the enabling policy and investment environment, strengthen institutional capacity, and improve monitoring and reporting.
  - j) Considering the different progress and volume in attracting climate finance, as well as different types of national mechanisms (e.g., the emissions trading system in Kazakhstan), it is crucial to improve information exchange between the Central Asian countries and strengthen the capacity for replication of projects that have proven to be effective.
  - k) Recognizing that access to climate finance involves a variety of assistance and investments (loans, credits, loans, or grants), as well as specific application procedures and accreditation of national and regional structures, it is important to consider resource mobilization opportunities for Central Asian countries in conjunction with capacity building processes.
  - l) It is necessary to strengthen the interaction between economic development and climate policy at both national and regional levels; examples are the planned actions under the Astana Resolution (2018) on landscape restoration and the existing projects of the China Regional Initiative "One Belt, One Road".
-