

## GCA BUSINESS PLAN 2020-2025



## **CONTENTS**

Executive Summary	3
Our vision	7
Solutions broker	9
Our three pillars of activity	10
A focus on Africa	13
The GCA work program: 2020-2025	16
"State and trends in adaptation" report	17
CVF/V20 support for climate vulnerable countries	18
The Action Tracks	19
The Bold Ideas	22
The Climate Adaptation Summit	28
Operating modalities	29
Regional offices	30

'None of us can escape the consequences of climate change. None of us can turn a blind eye to what is happening right now, and what will happen in the future.

All of us have a responsibility to tackle the causes of climate change and adapt to its impact. All of us – together.'

Mark Rutte, Prime Minister of the Netherlands

**EXECUTIVE SUMMARY** 

# A POST-COVID PLAN FOR BUILDING GLOBAL RESILIENCE

AS THE WORLD CONFRONTS THE WORST PANDEMIC IN MORE THAN A CENTURY, WE NEED TO BE BETTER PREPARED FOR THE NEXT CRISIS.

t the Global Center on Adaptation (GCA), we hope the voices calling for global coordination and solidarity will be heeded, because it is the same approach we are pioneering in the adaptation to climate change – another existential challenge to life as we know it.

Founded in 2018, the GCA is focused on building resilience to climate change, working to support, develop and implement adaptation initiatives on a global scale. The benefits of this approach are deftly summarized by Kristalina Georgieva, managing director of the International Monetary Fund: "Adaptation is not a defeat, but rather a defense against what is already happening," she notes. "The right investments will deliver a 'triple dividend' by averting future losses, spurring economic gains through innovation, and delivering social and environmental

benefits to everyone, but particularly to those currently affected and most at risk."

"If the virus is a shared global challenge, so too should be the need to build resilience against future shocks. Emerging and developing countries are the least prepared for the arrival of Covid-19, just as they are most vulnerable to the effects of climate change."

Ban Ki-moon, 8th Secretary-General of the United Nations

#### **Basic Elements of Climate Change Adaptation**

#### **Reduce (and Prevent)**

- Agriculture research and development
- Climate-proofing buildings and infrastructure
- Land-use planning
- Nature-based solutions to protect people and assets
  - Permanent relocation (migration)

#### **Prepare (and Respond)**

- Early warning systems
- Forecast-based action (contingency planning)
- Strengthen first responders
- Temporary evacuation

#### Restore (and Recover)

- Insurance and risk finance instruments
- Social safety nets
- Recovery services, including health and education
- Build back better

Source: Drawing on disaster risk management frameworks developed by the Global Facility for Disaster Reduction and Recovery, World Bank, and others.

Once the worst of the pandemic has passed, the global focus will inevitably shift towards questions of recovery and resilience. The GCA's 2020-2025 Business Plan identifies key adaptation initiatives to strengthen resilience in a post-Covid world. We are focused on those who are the most vulnerable to the effects of climate change including the poorest people of the poorest countries. They are the least prepared to withstand the triple health, social and economic impacts of our climate emergency.

The twin threats of Covid-19 and climate change are, above all, a human crisis. We must do everything in our power to ensure the response to both is coordinated and becomes a watershed moment for investment in a more sustainable world.

#### **OUR FOCUS ON AFRICA**

Covid-19 will hit African countries particularly hard. The World Bank says the pandemic will plunge sub-Saharan Africa into its first recession in 25 years, reversing decades of progress.



African governments do not have deep pockets to pour into stimulus packages. With the majority of Africans working in the informal sector, outside the regulatory and tax systems, and many living hand-to-mouth, economists have warned that the socio-economic impact of quarantine measures could be far worse than in other areas around the globe.

In a continent where the cost of debt servicing is greater than the annual health budgets of most governments and healthcare systems are patchy, Africa will suffer the greatest, but it will not suffer alone. No country is safe if the pandemic is not contained in the world's most fragile continent. That is why this global crisis is an opportunity to re-evaluate priorities. As rich nations prepare to mobilize trillions of dollars to kick-start stalled economies, the focus should be on building resilience fairly and equitably. With both coronavirus and climate change, we will only be as safe as our most vulnerable citizens.

"Adaptation can open up new markets and provide a much-needed booster shot for the global economy. It is not only the right thing to do, it is the smart thing to do."

Feike Sijbesma, Honorary Chairman, Royal DSM

A global agenda for building health, climate, social and economic resilience is our best hope for defeating this pandemic and being better prepared for future emergencies.

There is a greater need than ever to build the resilience of our food systems and safeguard the livelihoods of the world's poorest people. Even before Covid-19, climate change was threatening Africa's food security. In the first half of 2020, East Africa suffered the worst locust invasion in living memory, while much of the continent was recovering from drought.

The GCA's Africa Program pursues an integrated "triple win" approach, with initiatives to bolster food security and rural wellbeing; water for growth and resilience; and adaptation support to Africa's fast-developing urban centers. This ensures that any actions to develop the agricultural sector, for example, will also deliver improved water availability and security.

As managing partner of the Climate Vulnerable Forum (CVF), the leading South-South co-operation group for tackling climate change, the GCA is well placed to connect African countries with other developing nations that are testing or implementing climate adaptation plans. The GCA is committed to supporting and sharing best practices in adaptation, including regional, national and international efforts. At the same time, other nations in the global south will also benefit by learning from adaptation practices being pioneered by African parties.

Our work on the continent will ensure that African countries and African organizations and partners are in the 'driving seat' of change. This demand-led approach is of critical importance to ensure the relevance, efficiency and long-term sustainability of adaptation measures.

#### **OUR BOLD IDEAS**

Even with the best of intentions, change does not happen spontaneously. It must be conceived and directed. To jumpstart global adaptation efforts in eight priority areas, the Global Commission on Adaptation launched a 'Year of Action' in 2019 with its flagship report "Adapt Now: A Global Call for Leadership on Climate Resilience". To maintain momentum and ensure the next decade is transformational for adaptation action, the GCA and our partners have identified a set of Bold Ideas, drawing from the Commission's Action Tracks, that have the greatest potential to bring about transformational change and accelerate adaptation to climate change.

To implement these Bold Ideas, the GCA aims to act as a solutions broker, bringing together governments, the private sector, civil society, intergovernmental bodies and knowledge institutions to deliver the best adaptation solutions in every instance. We deliberately eschew highly technical, siloed approaches in recognition of the multiple facets of climate change. Water, energy and food security, for example, are interconnected. We cannot tackle one problem without addressing all three.



## Rural Wellbeing and Food Security

Agriculture contributes a significant share of the greenhouse gas emissions

that cause climate change. As well as being part of the problem, however, it is an important aspect of the solution. With the highest prevalence of undernutrition and an expected 230 million more mouths to feed in cities alone by 2030, the focus of this Bold Idea is in Africa, where agriculture accounts for between 30 to 40 percent of GDP. The sector is a leading source of jobs for two-thirds of the population, particularly women. This Bold Idea involves improving value chains as well as making use of the latest digital tools to support 60 million small-scale agricultural producers, significantly enhancing productivity and thus improving food security for one billion people. It will also deliver demand-driven research on climate-resilient crops, livestock and practices.



## Working with Nature for More Resilient Infrastructure

The G20 estimates the world needs to invest \$97 trillion in infrastructure

by 2040 just to meet the United Nation's Sustainable Development Goals. Nature-based solutions (NBS, or green solutions) should become an integral part of the infrastructure needed to support sustainable growth. At the GCA, we aim to promote knowledge sharing and new financing models to ensure that infrastructure development moves beyond "do no damage" considerations to integrated solutions, building on recent examples from both developed and developing countries, such as the Dutch 'Room for the River' program, Chinese 'Sponge Cities', and the 'Ridge to Reef' approach used in the Pacific. This will include the development of standard procurement documentation and toolkits that will greatly reduce the cost of implementing NBS through disseminating best practice and educating planners as infrastructure is designed and built.



## Water for Urban Growth and Resilience

Water underpins our food and energy systems; access to clean water is vital for our health and wellbeing; and water security is essential for our cities to thrive. Just as water is a fundamental pillar of development, it is also vital for successful adaptation. The GCA aims to transform planning and procurement processes to increase the resilience of water systems, particularly in

Asia and Africa, continents with high urbanization rates. We will develop and lead a 'Build Smart' project-preparation facility to bring innovation and start-of-the-art knowledge to over \$100 billion in water-related investments made annually by multilateral development banks (MDBs) and others. We will also provide technical assistance and support to delta communities around the world who are in danger of rising sea levels. In this regard, the GCA acts as the Secretariat to the Delta Coalition 2.0.



#### **Finance**

The GCA's Bold Ideas seek to identify initiatives that reinforce each other. For example, supporting capacity building

in countries that need technical support can liberate resources for adaptation. A particular goal for this Bold Idea is to ensure that the \$6.9 trillion of average annual investment in infrastructure required worldwide to 2030 is made more climate resilient. We are also working to transform the financial incentives for adaptation: by standardizing climate risk screening in public and private sector institutions; and by testing innovative financial instruments such as climate bonds and catastrophe bonds, as well as new resilience bonds with a focus on particular locations and sectors for local adaptation projects.



#### **Youth Leadership**

Young people are powerful agents of change. The GCA seeks to harness their creativity, passion and energy

through a Bold Idea that aims to give young people from developing countries a voice and provide an education in adaptation via approaches such as massive online open courses (MOOCs) and online learning to reach the widest and most diverse youth audience.



#### **CATALYZING CHANGE**

To help trigger the systemic change required for a climate resilient planet, the Netherlands will host the first ever global summit of world leaders entirely focused on climate change adaptation.

The Summit aims to set off a transformational decade of accelerated adaptation, underpinned by concrete new efforts and partnerships that deliver action and inspire change while helping the world to bounce back following the unprecedented disruptions of the Covid-19 pandemic.

At the Summit, participating leaders will launch the Climate Adaptation Action Platform 2030 (CAAP2030) comprised of clear, new commitments to action that will jump-start the transitions required for a climate-resilient world for people, the economy and the planet. The Platform will serve as a living online resource to track adaptation and also as a driver of implementation, knowledge sharing and interconnectivity over the next decade.

#### **MEASURING PROGRESS**

To date, there are no universally accepted metrics to measure progress in adaptation to climate change. Yet countries need to know whether their efforts are working. To bridge this knowledge gap, the GCA will publish an annual State and Trends in Adaptation report. The first report will reflect the present-day "state" of adaptation indicators – and recent historical changes – linked to the GCA Bold Ideas. The focus will be on the enabling environment of countries, on identifying efforts by the private sector, and on improving the understanding of key adaptation challenges and solutions.

## ENSURING SUSTAINED ADAPTATION ACTION GLOBALLY

The GCA, in its role as a solutions broker, hopes to create the conditions for successful and sustained adaptation to climate change. We aim to spark a global dialogue between political leaders, technical specialists, private sector corporations, NGOs and local organizations to speed up adaptation on a meaningful scale.

Climate change can only be solved with co-operation and collaboration across borders. But adaptation solutions must be tailored to local needs. Our regional office in China, as well as others planned elsewhere including Dhaka, Mexico City, Miami and in Africa, will ensure that strategies to build resilience are both relevant to local communities and sustainable.

Adaptation at scale is not beyond our reach. But it will take a lot more effort, money, co-operation and action than has been expended to date. We know we can succeed in building a climate resilient world if we act together, with common purpose.

## **OUR VISION**

he GCA has a bold and ambitious vision to ensure that the world steps up to the challenge of adapting to a changing climate and enables the transformation that is required. Our establishment fills a gap in global policy architecture by focusing on bringing together the best adaptation solutions and applying them effectively to solve specific adaptation problems. This will help enable the implementation of Paris Agreement and the achievement of the UN Sustainable Development Goals.

"Adaptation is not a defeat, but rather a defense against what is already happening. The right investments will deliver a 'triple dividend' by averting future losses, spurring economic gains through innovation, and delivering social and environmental benefits to everyone, but particularly to those currently affected and most at risk."

> **Kristalina Georgieva**, Managing Director, International Monetary Fund

We work as a 'solutions broker'. We take the best current solutions and other emerging solutions and accelerate their deployment from one jurisdiction to another by bringing together multiple parties and helping them implement complex programmes efficiently and effectively. We work closely with our partners and stakeholders to accelerate adaptation action and scale it up.

We are a new international organization. Founded in 2018, we are hosted by the Netherlands, with headquarters in Rotterdam and a knowledge and research hub based in Groningen. During our short existence, we have already seen strong demand for leadership to help

<sup>1</sup>https://unfccc.int/topics/action-on-climate-and-sdgs/action-on-climate-and-sdgs

## Adaptation for the Sustainable Development Goals

As stated by the UNFCCC, climate change is the single biggest threat to sustainable development, by seriously undermining livelihoods, halting development and poverty eradication, and driving many more people below the poverty line who used to be safely above it. Adaptation to climate change is therefore a vital precondition for making progress to reach the Sustainable Development Goals (SDGs)1. Given that sustainable development can never be achieved if people and societies are not resilient to the effects of a changing climate, the GCA places itself explicitly in the SDGs framework as an organization with a mission that is of fundamental importance for reaching these ambitious goals. In practice, the GCA explicitly defines its aims and develops its initiatives to help progress the SDGs. For example, the Finance Action Track will help progress SDG8 (Decent Work & Economic Growth), while the Bold Idea on Rural Wellbeing and Food Security is specifically designed to support SDG2 (Zero Hunger), by enhancing food security for one billion people, and SDG12 (Responsible Consumption and Production), by spreading agro-ecological and climate resilient agricultural practices to millions of smallholder farmers.

## **Enhancing synergies between adaptation and mitigation action**

Reducing CO<sub>2</sub> emissions to ensure that global warming remains below 2°C is of critical importance for safeguarding human, natural and socio-economic systems. Even with the most daring adaptation actions, the world will face residual climate impacts, making ambitious mitigation the best form of adaptation. Reducing emissions minimizes the scale of the problem to be addressed and reduces future uncertainties. Choosing between adaptation and mitigation is a false choice – we must do both. This is why the GCA accelerates ambitious adaptation action that also supports mitigation objectives.

connect relevant stakeholders and support for the development of concrete solutions; to enable information sharing; and to ensure that financial and other resources for implementing adaptation measures are provided to the stakeholders that need them.

We are a unique player in the field: a multi-sectoral organization that is both global in scope and solely focused on supporting, developing and implementing adaptation initiatives.

Climate change affects us all. An effective adaptation response requires government and political leadership to take a comprehensive and integrated approach. Public and private innovation and technology are vital to address the challenges of adaptation. We seek to ensure the delivery of the best possible responses by bringing together multiple partners with the knowledge, capacity, finance, and passion for adaptation action.

As a solutions broker, we bring together governments, the private sector, civil society, intergovernmental bodies and knowledge institutions to tackle the obstacles slowing down adaptation action. We identify solutions that have the most potential to affect change trajectories in adaptation. In so doing we take a holistic approach and ensure our innovative solutions acknowledge the linkages between climate change, food security and poverty. We explicitly step away from the approach of

many development agencies and policymakers which can be highly technical and siloed. Our cross-sectoral approach is deliberately different. We provide access to handpicked, game changing solutions provided by motivated staff comprised of highly experienced senior executives and young professionals who are not bound by historical practices.

"We urgently need more resources, more collaboration and more political will to make adaptation a global priority."

**Ban Ki-moon**, 8th Secretary-General of the United Nations

Our multi-stakeholder network enables us to effectively build the necessary dialogue and messaging among political leaders; technical specialists; private sector corporations; NGOs and local organizations. Our convening power enables all parties to participate in the development and implementation of adaptation and resilience programs for an aligned purpose. Our regional offices ensure that adaptation solutions are relevant and sustainable in their local environment. And our partners' advocacy efforts on climate adaptation are supported by our tools and communication support.

#### The Paris Agreement and the NDCs

The Paris Agreement set the "global goal on adaptation of enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change." It also established global aims to strengthen regional and international co-operation for adaptation action. In response, the GCA has positioned itself as the organization best placed to accelerate and lead the realization of the Paris Agreement's adaptation goals. Next to strengthening global co-operation, the Agreement requires all Parties, via their Nationally Determined Contributions (NDCs), to engage in adaptation planning and implementation through national adaptation plans, vulnerability assessments, monitoring and evaluation, and economic diversification. While working with countries to implement their NDCs, the GCA will also be highly active in raising their adaptation ambitions. This will be done both through advocacy at international forums and in bilateral meetings, and by integrating the establishment of more ambitious national adaptation plans and policies into the GCA's initiatives. Building momentum ahead of and during the UNFCCC COP 26 in Glasgow is crucial to this and central to the GCA's work plan.

## How the GCA acts as a solutions broker to create the conditions for successful adaptation

- **1. Political leadership:** GCA brings its own political leadership to the adaptation agenda and helps build political leadership around programs in client countries.
- **2. Business leadership:** a solid GCA business network brings the technology, expertise and reach of the private sector into the action and partnerships catalyzed by us.
- **3. Macro and micro impact:** our systematic approach ensures that benefits of adaptation are realized at national and regional levels as well as community and household levels.
- **4.** Role for public finance to support the mobilization of private finance: effective structuring ensures that public finance is used efficiently, blended where needed with private finance.
- **5. Multi-sectoral nature of climate change:** combining the best solutions ensures that adaptation programs work across multiple sectors.
- 6. Interrelationship between green and non-green solutions: ensuring that adaptation programs integrate effectively with other development programs and that eco-based adaptation is deployed effectively.
- 7. Technical expertise to take account of social and governance issues: combining technical expertise with development experience ensures that programs are implemented in an effective development context.
- **8. Building capacity:** integrating effective knowledge creation and transfer into programs to support capacity building for adaptation.

# OUR THREE PILLARS OF ACTIVITY

he value proposition of the GCA as a solutions broker combines our ability to mobilize finance with three pillars of activity: programs and actions; knowledge acceleration; and agenda setting and advocacy supported by cross-cutting activities.

#### **PROGRAMS AND ACTION**

The scale and complexity of adaptation programs means that we can add considerable value by bringing together multiple parties to accelerate action, reduce risk, deploy innovative approaches from other adaptation programs, and access and package finance and funding.

In our role as a catalyst for action and programs, we will build an extensive partnership network of relevant stakeholders who have the drive and the influence to make positive change. We will carefully blend and balance the best of many kinds of organizations – private, public and international – and academic institutions to drive collective action on climate resilience and adaptation.

Through collaboration between stakeholders that each bring different perspectives, expertise, reach and resources, our projects will deliver concrete and sustainable results and make a positive impact at all levels of society.

We are able to identify and mobilize sources of finance for adaptation programs and use our expertise to structure the funding in the best possible way to reduce cost and attract private finance.

Under this pillar of work the GCA, in partnership with others, provides a unique adaptation perspective, works across the strategy and design of programs, mobilizes finance, advises on implementation, helps design appropriate governance structures and procures the best delivery partners.



#### **KNOWLEDGE ACCELERATION**

Effective knowledge management – connecting producers and users of knowledge around the world, harnessing science and technology to drive innovation and education – is a prerequisite for successful adaptation. Bringing together solution teams to address areas across the range of adaptation activity, break down silos between sectors and drive action is central to our work. In this role, we will ensure that our partners can access best practices and codify knowledge. We will also use our influence and knowledge to educate on the need to mainstream adaptation into development.

To accelerate adaptation requires improved access to and better use of existing data, information and knowledge, and additional investment in areas with data, information and knowledge gaps. Knowledge can be used to link adaptation actions with other stakeholders and policy priorities consistent with better development outcomes. Addressing scientific and research gaps will also facilitate the acceleration of adaptation and more effective implementation. We recognize the importance of traditional knowledge, including from indigenous peoples and local knowledge systems. Through our private sector network we can bring business technology and innovation capacity into its different programs and action areas.

Under this pillar of work we will accelerate the application of knowledge to adaptation issues through facilitating the uptake of knowledge sharing, effective knowledge management and knowledge creation; leading research where gaps in knowledge, research and science exist (for example, Big Data and visualization for adaptation, adaptation and security, transboundary climate risk and adaptation); and using knowledge to drive innovation and develop specific approaches, such as portfolio reviews, which can be mainstreamed by partners.

#### **AGENDA SETTING AND ADVOCACY**

Climate change is a global challenge that does not respect borders; climate adaptation is a global necessity that crosses boundaries, not only between countries, but also between sectors and networks, government and the private sector. Global and national leaders need to urgently address the challenge of adapting to a warming planet with serious and sustained action.

## Fostering South-South co-operation for adaptation

South-South co-operation, and sharing experiences and technologies that can be replicated, is vital for impactful adaptation action. By applying transferred adaptation knowledge - solutions and technologies that are accessible, adaptable and affordable - South-South co-operation can build local capacity to address a range of adaptation challenges.

The GCA fosters South-South co-operation, including through its regional offices. GCA China has identified strengthening China's leadership in South-South co-operation focused on adaptation as one of its priority themes. Similarly, GCA's support to the Climate Vulnerable Forum (CVF) aims to maximize opportunities for South-South and triangular co-operation. Future GCA offices in Bangladesh and Mexico will share good practice and solutions between countries at the regional level.

Our role is to catalyze action by influencing decision-makers within political, economic and social systems and institutions. This includes media campaigns, public speaking, commissioning and publishing research. We build international coalitions to promote adaptation and ensure that adaptation is at the heart of all initiatives around climate and at the center of climate-change negotiations. We demonstrate that adapting to climate change is not only necessary, but also improves human wellbeing and leads to better and more sustainable economic development and security. Moreover, the costs of adapting are lower than economies will face if they continue with a business-as-usual approach.

We use our convening power to bring together the most influential opinion formers to create a community and to stimulate further growth of the adaptation coalition and movement. On the agenda-setting side, we identify research gaps and work with pre-eminent organizations to produce and publish landmark reports to shape the adaptation agenda.

We use multiple channels to promote our message on traditional and social media. We have a high-profile presence at major events and strategically engage with partners to amplify our message. Our leadership team is the voice of the GCA and staff have a role in promoting our message.

We support our partners' advocacy efforts on climate adaptation via tools and communications materials, etc. We look into ideas such as regional CEO networks linked to our regional offices, and identifying adaptation CEO champions in relevant regions – who use their voice and influence to advance the adaptation agenda as it impacts both their companies and the countries in which they operate.

Under this pillar we will continue the work of the Global Commission on Adaptation, ensuring that adaptation remains a high priority, while being responsible for providing thought leadership and convening at the highest level.

## MOBILIZE, ACCESS AND REDUCE THE COST OF FINANCE

Underpinning the GCA's three pillars of activity is our ability to mobilize, access and reduce the cost of finance. Identifying potential sources of concessional, domestic and private capital, and optimizing the blending of different forms of finance through effective structuring

will be an important objective of the GCA. An in-depth understanding of risk and how it can be managed and mitigated is central to our offering. By leveraging the work of the Commission, the GCA will be influential in making the case for more adaptation finance, specifically:

- Influencing existing funds, such as the Adaptation Fund and the Green Climate Fund, as well as multi-lateral and national development banks to scale up their resources for adaptation and accelerate their deployment to increase their impact
- Supporting countries to increase their deployment of domestic resources by identifying benefits and making the case for increased resilience
- Influencing private capital providers to direct resources to adaptation by identifying opportunities and risks including:
  - project and corporate finance for risk reduction and supply-chain resilience.
  - deepening and widening access to climaterelated insurance at both a wholesale and retail level.
  - influencing asset managers to take account of climate change and make investment choices in light of resilience and risk reduction.
  - pioneering new and emerging instruments for financing, or example, debt for resilience swaps.

The GCA will also make measurement a key part of the financial system. Many investors and businesses do not factor potential risks of climate change into their invest-

ment decisions. Building on our collaboration with the European Bank of Reconstruction and Development (EBRD) on the Taskforce on Climate-related Financial Disclosures (TCFD), we will identify how to focus greater attention on climate risks in private-sector investment decisions.

#### **OUR CROSS-CUTTING APPROACHES**

We ensure our work is driven by cross-cutting approaches including:

- Partnerships, coalitions and networks: we identify and build partnerships, coalitions and networks that can accelerate and scale up action. Building on the work of the Global Commission on Adaptation will enable us to maintain key partnerships. New coalitions that leverage political advocacy and connect actors with a common interest, often across the public and private sectors, will be valuable. In undertaking this work, we are mindful of the importance of maintaining a sharp focus on the potential for impact and action. Through engagement with key champions and coalitions as well as with research partners we will identify the strategic opportunities that can be leveraged and specific actions that can be supported.
- Convening and collaborating: we use our convening power to assemble the key actors on a focused and regular basis. We expect to hold an annual event to take stock of progress in adaptation and identify and share new approaches. We will participate in other key events such as the UNFCCC COPs and World Bank Group Annual and Spring Meetings.

## A FOCUS ON AFRICA

owhere is the challenge of achieving sustainable development in the face of a changing climate more acute than in sub-Saharan Africa (SSA). With temperature increases of approximately 0.7°C over much of the continent and with predictions that temperatures will rise further, Africa is facing a wide range of impacts, including increased drought and floods. In the near future, climate change will contribute to decreases in food production, floods and inundation of its coastal zones and deltas, spread of waterborne diseases and risk of malaria, and changes in natural ecosystems and loss of biodiversity.

Yet Africa has contributed the least to global warming in both absolute and per capita terms. It accounts for just 3.8 percent of global greenhouse emissions - not surprising when you consider about two-thirds of its greenhouse emission is from land use, particularly from forest degradation and deforestation tied to the production of charcoal.

The UN estimates that the majority of population growth in the coming decade will be in Africa and Asia. By 2050 almost 60 percent of the people (800 million) in SSA will live in cities increasing demand for transport, housing,

#### The GCA approach for SSA ownership and participation

The GCA's work on the continent will ensure that African countries and African organizations and partners are in the 'driving seat' of the change. This demand-led approach is of critical importance to ensure strong prioritization, efficiency and the long term sustainability of measures.

## Actively seeking ties with important national and regional governance structures

GCA will work with networks and governance structures to ensure SSA actively engages in and steers the adaptation agenda. The foremost example of this is the African Union but it also includes the African Development Bank, UNEP and the World Bank Group. Close collaboration with these structures, facilitated by our Partnership managing the African Adaptation Initiative, will open up many opportunities for the GCA to work with other parties and increase the scope of their influence in Africa, making it easier to move forward rapidly in adapting the region to climate threats.

#### **Building forward SSA's initiatives and plans**

In developing and implementing initiatives, GCA will actively use as many existing SSA stakeholder initiatives as possible. The existing plans and long-

term objectives of African adaptation initiatives and organizations that are in line with GCA's objectives will be used as fundamental input for the development and implementation of initiatives.

#### **Spreading Africa's best practices**

GCA acknowledges the expertise and experience of African parties' understanding of what needs to happen in their specific country or community. GCA will support regional and national efforts by emphasizing and spreading the already implemented best practices by African parties.

#### **Convening stakeholder meetings**

Stakeholder meetings for particular initiatives and the regional office are key to ensure SSA ownership and participation. GCA aims to hold these meetings as soon as possible in the process so that key stakeholders are able to engage in the assessments of needs, identification of priorities, development of adaptation measures, and implementation of programs and projects. A key mechanism for this will be the regional advisory board for GCA Africa which will be drawn from countries, companies and civil society groups representing the range of adaptation needs and solutions represented in the region.

water, and energy infrastructure. Meanwhile, Africa's farmers and fishermen and women will continue to face fundamental disruptions to their livelihoods.

Africa needs to implement climate adaptation strategies to reduce its vulnerability to climate change in order to achieve sustainable growth. Building climate resilience into investment decisions provides scope to deliver on African development priorities while avoiding the risk of costly retrofitting in the future. Public concessional climate finance is a key low-cost source of finance which, when blended with other sources of public finance, can serve to de-risk African projects and crowd-in private finance.

With the already crippling debt service burdens faced by many African countries today, 18 low-income African countries are facing a debt crisis or on the brink of one. Against this economic and humanitarian backdrop, adaptation plans and investment programs have to be designed to achieve effectiveness and efficiency.

#### **OUR REGIONAL OFFICE**

The GCA Regional Office in Africa will ensure the integration of countries in the region into other GCA initiatives. The GCA will actively promote the integration of the African countries by engaging with:



- Key partners of the initiatives and their connections in the Africa region
- Supra- and international networks connecting African countries or other stakeholders with parties from different regions
- International companies such as Royal DSM which pioneered the Africa Improved Foods initiative

We can also realize fully fledged integration into broader international adaptation efforts through our role as the Managing Partner of the Climate Vulnerable Forum (CVF). As the pre-eminent international cooperation group of developing countries tackling global climate change, GCA's management of the CVF enables us to connect relevant African countries with other countries and parties from all regions of the world in order to advance the implementation of adaptive measures.

#### **OUR PROGRAM IN AFRICA**

The GCA Africa program highlights triple win approaches in:

- 1) Food security and rural well-being
- 2) Water for urban growth and resilience
- **3)** Adaptation support for Africa's fast developing urban centers

There are key, fundamental linkages between securing water availability and the critical role of agriculture and food security in Africa. Therefore, GCA will adopt an integral approach based on the food security-climate-water nexus to ensure that any actions to develop the agricultural sector will have long-term positive impacts on water availability and security. Better management of water resources, together with smarter irrigation, are of central importance for both the availability of drinking water for the rural and urban population, and the prosperity of the agricultural sector in a changing climate.

The potential is huge for a platform that can link the available resources, knowledge and expertise with implementing parties, increase ambitions and coordinate the implementation of adaptive measures.

The GCA aims to take on this role and provide a platform for the region to significantly progress in climate adaptation by:

- Acting as the key solutions broker for climate adaptation in the region by establishing coalitions and partnerships;
- Identifying priorities and key bottlenecks to change for each action area:
- Identifying successful adaptation interventions and broker peer learning mechanisms for each action area;
- Increasing the actions and ambitions of the different stakeholders involved; and
- Advocating for more funding and political attention for climate adaptation

"We are all witnessing how climate change is visibly affecting societies and business— it is impacting supply chains, damaging infrastructure and harming marine life. We must take an integrated, strategic approach to adapting to this global challenge."

Feike Sijbesma, Honorary Chairman, Royal DSM

# THE GCA WORK PROGRAM: 2020-2025

This Business Plan covers the period 2020 to 2025 and presents a vision for how we can help to build an adapted world for everyone.

In 2020, we will prioritize five key deliverables:

- 1. 'State and Trends in Adaptation' report
- 2. CVF/V20 Support for climate vulnerable countries
- 3. The Global Commission on Adaptation Action Tracks
- 4. The Bold Ideas
- 5. The Climate Adaptation Summit

## "STATE AND TRENDS IN ADAPTATION" REPORT

The 2020 "State and Trends in Adaptation" report will be the first in a series of flagship annual reports produced by the Global Center on Adaptation. Its target audience will be global and national policy-makers, the private sector, adaptation practitioners and the expert community. The report's key objectives are to:

- Enable countries and actors to track progress in adaptation
- Assimilate the latest science and quantitative data alongside qualitative data available on climate-change adaptation progress
- Provide guidance to countries and partners on how they are progressing and how they can improve in building resilience/adapting to climate change, including clear examples of both good and ineffective adaptation in different sectors with illustrative economic data.

The 2020 report's main aim is to establish a baseline ("State") for adaptation indicators. The report will further look ahead ("Trends") at the main developments expected in adaptation-policy development, implementation, finance and knowledge over the next three years. The report is intended to include the following key components, including an online data bank:

- Quantitative indicators that measure how countries and actors are adapting across different sectors
- Qualitative analysis by region of how countries have advanced with adaptation policies and projects
- Spotlight examples/cases of specific adaptation projects/approaches/policy frameworks that work well, providing the economics and other relevant impact data. Crucially, these examples/cases are selected based on a framework to analyse their transferability and scalability to make sure specific examples indeed hold valuable lessons for other locations, sectors and circumstance and thus are truly "inspiring" examples for learning far beyond their original location of implementation.
- A "deep dive" topic selected annually for quantitative and qualitative in-depth assessment, with provisionally foreseen: Nature-Based Solutions (2020); Cities,

urbanization and rural wellbeing (2021); and Knowledge Services for Global Adaptation Tracking (2022) – with the latter building on the 2021 IPCC Sixth Assessment Report and aiming to feed into the Paris Agreement 2023 Global Stocktake.

With the current developments around the COVID-19-virus pandemic and the considerable likelihood of a recession for many countries being triggered in 2020, the 2020 report edition will put special emphasis on elements in the report that address opportunities provided by financial flows and investments for adaptation, as well as private sector initiatives.

Overall the report, derived policy briefs, outreach activities and online data analysis & visualization platform, will enhance the capacity of stakeholders to understand adaptation and progress in adaptation, including global adaptation needs and solutions. It will also provide knowledge-support for stakeholders when setting priorities for adaptation planning, implementation and mobilizing global adaptation action and investments.

## CVF/V20 SUPPORT FOR CLIMATE VULNERABLE COUNTRIES

The Climate Vulnerable Forum (CVF) was founded in 2009 as a group of nation states represented by their respective government leaders to act together on the concerns each share as a result of human-induced global climate change. The CVF is organized as a semi-formal platform and process of intergovernmental co-operation presently comprising 48 member states, led by a rotational presidency. Together with the V20, it aims to elevate the voice of climate-vulnerable countries in the global climate-change debate.

"The time to act on climate change is now. If anyone still doubts climate change, even slightly, I invite you to visit Bangladesh. I am ready to walk with you to show how climate change silently impacts the lives of millions."

Sheikh Hasina, Prime Minister of Bangladesh

Under a Memorandum of Understanding with the Presidency of the CVF and V20, the GCA, as Managing Partner, will support the chair and member governments of the CVF and V20 across its workstreams.

#### Our activities will include:

 Enabling action: through the provision of targeted expertise, technical assistance, capacity-building initiatives, and support for accessing climate finance and for applying innovation in climate financing, Forum members will significantly increase their capabilities to deliver on Leaders' objectives for climate action.

- Leveraging partnerships: by assisting the Forum to develop, sustain and expand partnerships both at a political level such as between the V20 and G20 and at a technical level, such as between the CVF and the NDC Partnership, the V20 and the InsuResilience Global Partnership, the most vulnerable nations will gain significant new resources and opportunities for promoting action both at home and abroad. Internationally deployed resources will also be more readily and innovatively channeled to support ambitious CVF/V20-wide implementation efforts. The project further provides a vital coordinating function for integrated external support towards effective alignment and promotion of the CVF/V20's core objectives and program of work.
- Consolidating South-South co-operation: providing dedicated support to core co-operation, institutional and internal communications functions of the Forum (CVF/V20) enables it to operate as a more dependable and effective mechanism for South-South collaboration and joint efforts of members.
- Promoting ambition globally: by supporting the Forum to communicate political ambition, action successes and activities in the press and on social media, in debate and on the international stage, the ability of the CVF and V20 to encourage synchronistic domestic implementation and promote ambitious climate action is greatly increased.

#### THE ACTION TRACKS

During the Year of Action the GCA is working with the World Resources Institute (WRI) as managing partner of the Global Commission on Adaptation to further develop and implement its eight Action Tracks. These Action Tracks are the priority areas for adaptation highlighted by the Commission's reprot "Adapt Now: A Global Call for Leadership on Climate Resilience".

Some Action Tracks involve mobilizing political, technical and financial support to existing initiatives, while others entail forging new coalitions for change. They are designed to jump-start the revolutions needed in understanding, planning and finance to enable climate impacts and risks to be factored into decisions by those who make choices about the future.

After the Summit, when the Global Commission on Adaptation will sunset, we will take forward the work of the Commission by taking on its role of catalyzing new global initiatives to accelerate adaptation.

The close interlinkage between Action Tracks enables us to develop and implement many cross-cutting initiatives, either by incorporating multiple initiatives from key adaptation areas into one overarching initiative, or by setting up specific initiatives that target multiple areas (e.g. hosting adaptation academies to make cities more resilient by using nature-based solutions).

## FOOD SECURITY AND RURAL LIVELIHOODS



Adapting to climate change while also achieving adequate and nutritious food for all, mitigating climate change, protecting ecosystems and achieving the SDGs will require systemic changes to the global food system and global land use. The GCA focuses on adapting these systems to climate change by scaling up research for resilient agriculture, pushing for better policy frameworks to be used, expanding the access to climate-informed digital services, insurances and safety nets, and by improving access to adaptation technologies and agro-ecological practices.

#### **INFRASTRUCTURE**



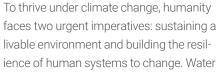
#### **NATURE-BASED SOLUTIONS**



Harnessing the power of nature to make people, places, and ecosystems more resilient to climate change is essential.

The GCA will mobilize political and private-sector leadership to implement large-scale, coordinated approaches to nature-based solutions to minimize climate risks while maximizing economic, social, and environmental benefits.

#### **WATER**





is vital to achieving both. The GCA strives to make natural and managed freshwater systems, as well as human systems dependent upon water, resilient to climate change. We will do this by strengthening national preparedness and adaptation, fostering basin-scale water-system resilience through working with all relevant stakeholders – often across multiple jurisdictions – and building the resilience of systems reliant on water to enable societies to better deal with storms, floods, droughts and sea-level rise.

#### **FINANCE**

Resources for adaptation investments will have to be coordinated across the entire financial system. The GCA will focus on ensuring physical climate risk is mainstreamed into public and private decision-making and planning while also enhancing the level of international and domestic finance.

#### **LOCALLY-LED ACTION**



#### CITIES

Climate change is already bringing damage, stresses and suffering to the world's cities, home to more than half the global population and responsible for



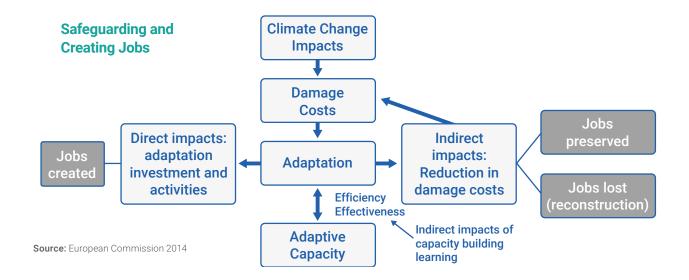
more than 80 percent of global GDP. Yet cities are also places of constant change and renewal, with action at all levels from grassroots community groups and private companies, to city planning departments, regional and national agencies. The GCA will work with cities to identify and prepare priority projects, establishing funding streams and work plans to support climate adaptation equitably and inclusively for millions of people.

#### **DISASTER RISK MANAGEMENT**





human suffering, and lessen economic impacts. The GCA will focus on the most vulnerable and marginalized communities to prevent extremes from becoming disasters by scaling up investment in early-warning systems, strengthening national social-protection systems, and helping organizations leverage existing global architecture for disaster risk management.



## Addressing gender impacts of adaptation interventions

Women make up more than 40 percent of the agricultural workforce and tend to have substantially less access to land rights, fertilizers, education, technical assistance, weather information, and water. Women are likely to play even greater roles going forward, because farms are getting smaller, pushing more men to relocate to cities for work and leaving women running the farms. Climate change is likely to accelerate this trend. Tenure reforms that provide equal property rights for women and target financing and extension services at women would help advance gender justice as well as likely result in promising yield improvements. For example, the Food and Agriculture Organization of the United Nations (FAO) estimates that if women had the same access to productive resources as men, they could increase yields on their farms on average by 20-30 percent and reduce the number of hungry people in the world by 12-17 percent.

#### Small Island Development States (SIDS): Grenada's Ambitious Vision

With a GDP of US\$9,780 per capita, Grenada (population 111,454) is classified as an 'upper middle-income country', limiting its access to concessionary development financing. Like most SIDS, Grenada is highly vulnerable to climate change risk. To address this challenge, Grenada is piloting a Climate Smart Cities initiative undertaken with financial and technical support from the Green Climate Fund (GCF) and implementation by New York University (NYU). The initiative focuses on urban areas that provide critical infrastructure and services. Adaptation and mitigation in these areas will mean building grey and green infrastructure, and also building the social, political and economic systems that can maintain and adapt as conditions change.

While the costs to complete this program are currently estimated at about \$1 billion, core components of the strategy can be scaled up for other countries, including integrated analysis and scenario modeling of climate-change impacts; coordinated partnerships between government, private sector, and citizen stakeholders; and capacity building for joint decision-making within government agencies.

#### THE BOLD IDEAS

Through work on the Action Tracks, we asked what would need to happen to ensure the next decade is transformational for adaptation action? What projects, policies and changes would be needed to kick-start the three revolutions to turn system-changing ideas into implementable solutions? This led to the development of Bold Ideas, our "lighthouse" initiatives, to push through the systemic change required for real action – be that on the ground or in the corridors of power. Bold Ideas have been selected to tackle issues of global importance. In selecting a Bold Idea we considered the following elements: a Bold Idea should be derived from one or more Action Tracks, help to focus efforts over the Year of Action, and fulfill the Global Commission's call for urgent action and immediate impacts. It should also engage a wide range of partners from the public, private and NGO sectors prior to the Climate Adaptation Summit and encourage others to think boldly. Ultimately, a Bold Idea should be transformational, catalytic and accelerant by changing frameworks, showing that adaptation action can generate big changes, and creating a new baseline for adaptation ambitions and actions.

Our Bold Ideas are consistent with the aims of the UN Climate Action Summit. They impose real, but realistic challenges and focus on tangible solutions. They will have significant impacts, both for the resilience of on-the-ground communities, and for higher-level national and international organizations by triggering transformational changes in approach, frameworks, thinking and ambition.

What they all have in common is that they redraw the boundaries of possibility for the climate-resilient world we must create together. Most importantly, they are ambitious, but we believe achievable – and in dire need of being achieved – over the next decade.

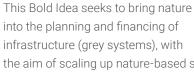
We are uniquely placed to turn these Bold Ideas into reality. We have an extensive network of partners which gives us a wide ranging private and political mandate. We are not reinventing the wheel; we are using the resources, knowledge and capital that is already out there but not yet adequately leveraged to truly deliver adaptation action.

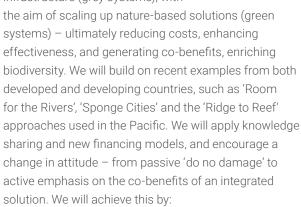
## RURAL WELLBEING AND FOOD SECURITY

This Bold Idea seeks to support
60 million small-scale agricultural
producers to increase production,
despite the impacts of climate
change, and thus improve their livelihoods and the food
security of one billion people in sub-Saharan Africa by
2030. We will achieve this by:

- Delivering demand-driven research on climate-resilient crops, livestock and practices, primarily through a 10-year \$12 billion research strategy for climate action by the CGIAR system.
- 2) Catalyzing the expansion of better markets and value chains, especially those directed at supplying rapidly expanding cities, which will have an extra 230 million mouths to feed by 2030. An initial focus will be to scale up the Africa Improved Foods (AIF) model across 10 countries supported by \$2 billion of private investment.
- 3) Developing and delivering climate-based digital services to 60 million farmers and local agribusinesses, building upon the experience of private companies who previously created advanced digital mobile banking services in Africa.

## WORKING WITH NATURE FOR MORE RESILIENT INFRASTRUCTURE





1) Engaging with 50 countries to deliver integrated 'green and grey solutions' through knowledge sharing, and revising design codes, inadequate

- procurement policies, and impact-assessment regulations.
- 2) Mobilizing existing and new financial resources, including rolling out the V20's Accelerated Financing Mechanism for Maximal Resilience, with capacity to leverage \$15 billion into climate-resilient infrastructure.
- **3)** Developing and piloting new instruments such as green-adaptation bonds for integrated green-grey infrastructure projects.
- 4) Supporting the establishment of the Vital Ports Green Investment Platform for small and medium-sized ports, including the integration of climate-risk considerations.

#### WATER FOR URBAN GROWTH AND RESILIENCE



This Bold Idea aims for a fundamental transformation in the coordination, planning, and procurement of the water sector at large to increase the resilience of new and existing water systems particularly in urban centers.

The GCA will facilitate building smarter and faster systems by bringing together all the disparate actors in the water space under a common framework for planning, design and procurement. In addition, GCA will equip city managers with the tools and skills they need to ensure a resilient future for their expanding cities in a rapidly changing and uncertain climate.

A particular focus of this Bold Idea is the urbanization of river deltas. Throughout history, deltas have been important to human civilization as they support intensive agriculture and large concentrations of population. Today over 300 million people live in deltas and this is expected to double by 2050. In many countries delta regions are the engines of the national economy with the highest contributions to national GDP but they are also places of increasing flood risk, water scarcity, ecological and economic damage.

The majority of deltas do not have an agreed and funded management plan, often as a result of governance and

transboundary water-uses challenges. A transformative paradigm shift is needed to secure water, energy and food supply, sustainable development and a safe and healthy living environment for hundreds of millions of people.

We will achieve this by:

- 1) Developing and leading a 'Build Smart' project preparation facility to incorporate innovation, state-of-the-art knowledge and continuous learning in resilient urban design and implementation to over \$100 billion in water-related investments made annually by the multilateral development banks (MDBs) and other public and private financiers.
- 2) Scaling up proven knowledge initiatives, like the highly effective C40 Adaptation Academy and the City Water Resilience Academy, to share the latest tools such as Climate Change Risk Assessment and adaptation planning methods in as many as 500 cities worldwide.
- 3) Serving as the Managing Partner and Secretariat of 'Delta Coalition 2.0' through our regional office in Dhaka to support better planning and design to revitalize critically important delta networks for a resilient future.

### **The Triple Dividend in Action**

#### **AVOIDED LOSSES**

- Early warning systems save lives and assets worth at least ten times their cost. Just 24 hours warning of a coming storm or heat wave can cut the ensuing damage by 30 percent, and spending \$800 million on such systems in developing countries would avoid losses of \$3–16 billion per year.
- Making infrastructure more climate-resilient can add about 3 percent to the upfront costs but has benefit-cost ratios of about 4:1. With \$60 trillion in projected infrastructure investments between 2020 and 2030, the potential benefits of early adaptation are enormous.

#### INVESTING IN ADAPTATION YIELDS

**AVOIDED LOSSES** 

ECONOMIC BENEFITS

+ SOCIAL & ENVIRONMENTAL BENEFITS

**=** A TRIPLE DIVIDEND

Source: Adapted from ODI, GFDRR, and the World Bank.

#### **ECONOMIC BENEFITS**

- Reducing flood risks in urban areas lowers financial costs, increases security, and makes investments that
  would otherwise be too vulnerable to climate risks more viable. London's Canary Wharf and other developments in East London would have been impossible without flood protection from the Thames Barrier.
- Drip irrigation technologies, first developed to address severe water scarcity, are spreading because they lead to higher crop productivity than traditional irrigation systems.

#### **SOCIAL AND ENVIRONMENTAL BENEFITS**

• Mangrove forests provide more than \$80 billion per year in avoided losses from coastal flooding—and protect 18 million people. They also contribute almost as much (\$40–50 billion per year) in non market benefits associated with fisheries, forestry, and recreation. Combined, the benefits from mangrove preservation and restoration are up to 10 times the costs.

#### **FINANCE**

This Bold Idea seeks to make climate risks more visible and actionable by promoting systemic change in fiscal and financial systems to integrate climate risk into deci-



sion-making. The Global Commission on Adaptation's flagship report illustrates that investment in adaptation delivers excellent value for money while providing broader societal and environmental benefits. A central goal of this Bold Idea is to ensure that the \$6 trillion of average annual investment in infrastructure worldwide is made more climate resilient, which the Commission estimates would have a benefit-to-cost ratio approaching 5:1. However, public and private investment in adaptation is currently far below the required levels. This Bold Idea will promote ideas for new financial instruments and risk-transfer mechanisms, such as climate bonds and catastrophe bonds, to mobilize both public and private investment in adaptation. We will work with partners across its network, including MDBs, IDFC, donor countries, the private sector and philanthropic organizations,

to leverage opportunities for greater ambition. We will achieve this by:

- 1) Mainstreaming climate resilience across financial decision-making so that climate risk is formally incorporated into investment and policy frameworks of 50 countries, 100 financial institutions, 10 central banks and the IMF.
- 2) Scaling up near-term finance by seeking commitments from MDBs to increase their pledges from \$18bn to \$25bn of annual adaptation finance by 2025, and to \$30bn by 2030, to achieve a better balance between adaptation and mitigation. Similar commitments will be sought from development-finance institutions, donors, national governments, philanthropic organizations and the private sector.
- 3) Developing innovative instruments for adaptation such as new resilience bonds with a focus on particular locations and sectors. These will be planned for launch in 2021 with a capitalization target of \$1bn.

## A BOLD VISION: International Development Finance Club (IDFC) commits to mobilizing at least \$1 trillion by 2025<sup>1</sup>

National and regional development banks have huge potential to support the implementation of the Paris Agreement on climate, and to generate green, public and private finance to meet the needs of national economies, societies and environments.

Over the period 2014-2018, the national and regional development banks of the IDFC reported on average close to \$150 billion of climate finance yearly, representing about 20 percent of their total financial commitments. IDFC members have also shown they have the technical and financial capacities to deliver even higher amounts of climate finance, as the \$200 billion mark of yearly climate finance was reached during this period.

However, if this additional money remains as the "climate finance as usual" that is being mobilized by other major banks worldwide, it will not be enough to fulfill our common climate objectives. The redirection of all financial flows, beyond public and private climate finance, is essential for better quality investment.

IDFC pledges to contribute to this goal by promoting the mainstreaming of climate considerations throughout the international and national financial communities. The group urges all interested partners to realign financial flows so they are consistent with the Paris Agreement. The GCA will be a core partner to ensure the achievement of this.

https://www.idfc.org/wp-content/uploads/2019/09/official-idfc-communique-vdef21-09-2019-22h50-cet.pdf

#### YOUTH LEADERSHIP

Young people around the world are powerfully making the case for climate action and climate justice, showing their potential for driving change and proving that they deserve the right to have a say on what their future will look like. Therefore, this Bold Idea will mobilize and empower youth to help accelerate global adaptation action and make their own communities more climate resilient. Youth, through a range of specialist NGOs, have identified the barriers they face to becoming key players, including lack of awareness and information on adaptation options and inadequate, tokenistic provision of platforms. This Bold Idea aims to break down these barriers, via innovation, connection, education and advocacy. Young leaders will be encouraged to make meaningful contributions to January's Climate Adaptation Summit; youth innovators will be identified and supported to develop their ideas and solutions and education on adaptation will be made available via approaches such as Massive Online Open Courses (MOOCs) and online learning to reach the widest and most diverse youth audience. Specificallythe GCA will:

- Engage young people in adaptation solutions through a unique global challenge for youth-led adaptation solutions.
- 2) Develop the capacities of 10,000 young people with world-leading adaptation instruction through a MOOC, and incorporate adaptation thinking and solutions into other relevant public policy, business and technical academic courses.
- **3)** Empower more than 50 youth laureates each year to take adaptation action to new levels through a Young Adaptation Leaders program.
- **4)** Organize dedicated youth preparation and participation at the core of the Climate Adaptation Summit and other events.
- 5) Include in the Summit a Youth Solutions Festival, Youth Congress, town-hall events at GCA hubs across the planet held in partnership with CNN, and an international Open University event.

## CROSS-CUTTING LINKAGES BETWEEN THE BOLD IDEAS

Each of the Bold Ideas has cross-cutting and overlapping components that will add coherency to the GCA's Year of Action. Young people, for instance, will not only be empowered to speak out in local and international adaptation forums, but they will also be key players in the design and development of activities, including the digital services and their interpretation and use at the farm level in the Food Security Bold Idea. Similarly, the Rural wellbeing and Food Security and Nature-based Solutions & Infrastructure Bold Ideas will draw upon common pools of knowledge, experience and partners. The latter Idea will also overlap with the Water Bold Idea, especially in relation to water management in cities and deltas. Finance, and locally-led action of course, underpin them all. We have seen during the COVID-19 pandemic, the importance of locally-led action in mobilising communities to embrace and enforce social distancing while ensuring the most vulnerable are looked after. In the same vein, people and communities on the frontlines of climate change are also often the most active and innovative in developing adaptation solutions. Yet too often they lack access to the resources and power to do so. More coherent and climate-informed planning will attract a wider range of financial resources; adaptation-related bonds have a role across multiple Bold Ideas, as do risk-spreading finance mechanisms such as insurance and catastrophe bonds. Such overlaps can only add to the richness of partnerships, sharing of ideas, and engagement. They will furthermore ensure that progress made in the different Bold Ideas is mutually reinforcing.

### **POSSIBLE FINANCIAL TOOLS BY BOLD IDEA**

#### **BOLD IDEA**

#### **SELECTED OBJECTIVES**

#### **POSSIBLE TOOLS FOR MOBILIZING FINANCE**

## Rural wellbeing and Food Security



- CGIAR's 10-year \$12 billion research strategy for climate action launched
- Catalyze sustainable and resilient
   African food markets, e.g. scale up
   Af-rica Improved Foods (AIF) with
   the private sector in 10 countries
   with \$2 bil-lion investment
- Possible new 'African agriculture bond' to explore alongside partners AAI and AfDB
- Private sector debt and/or equity instrument to complement AAI and similar instruments
- Job training and creation fund to support rural productivity and non-farm employment

#### Water for Urban Growth and Resilience



 \$100m+ project preparation facility to support design and development of multi-sectoral water projects, linking food security, rural water, basin management and urban water access issues

- Water infrastructure bonds ('blue bonds') to finance de-salination projects, for ex-ample
- Launch of a Global Water as Leverage Challenge with a deployment of \$35million PPP investment targeting 70 cities (10 most vulnerable in each of seven regions)
- Debt refinancing facility, building on TNC's initiative on marine conservation and adaptation

Recently developed blue bonds relevant to adaptation and resilience include:

- Seychelles \$15m sovereign blue bond
- Nordic investment bank \$200m bond
- WB/Morgan Stanley \$10m bond

#### Working with Nature for more resilient Infrastructure



 Assuming a 3 percent uplift for resilience, this would equate to additional funding requirements of approximately \$200 billion per year to "climate-proof" conventional infrastructure

- Developing and piloting the use of new financial instruments (such as bonds for NBS, PPPs) [with MDBs, CCRI and Macquarie]
- Rolling out the V20's Accelerated Financing Mechanism with capacity to leverage \$15 billion into climate-resilient infrastructure
- Supporting the establishment of the Vital Ports Green Investment Platform for small and medium-sized ports, including the integration of climate-risk considerations

#### **Youth Leadership**



 Ideally, young people from climate-vulnerable countries could be involved in the campaigning and messaging making the case for enhanced finance targets

- Challenge fund with venture capital component (for start-ups) for the Youth Adaptation Solution Challenge
- Job training and internship facility, financed through public-private partnership

# THE CLIMATE ADAPTATION SUMMIT



# CLIMATE ADAPTATION SUMMIT

**ACTION • ACCELERATION • ADAPTATION** 

o help trigger the systemic change required for a climate resilient world, the Netherlands will host the first ever global summit of world leaders entirely focused on climate change adaptation on 25th January 2021 to be confirmed. It will be an entirely virtual summit for an emissions free event. As leaders deploy unprecedented public investment and support programs to rebound from the pandemic, the Summit will support integrated efforts to restore prosperity, build back better and secure progress towards the 2030 Sustainable Development Goals and the implementation of the Paris Agreement.

The Summit will unite institutions and government leaders, city mayors, senior figures from the private sector, civil society and youth movements. Each Summit participant will be asked to bring concrete new actions as a contribution to enhancing resilience. These clear, new commitments will constitute the first lighthouse initiatives of the adaptation data platform.

This is a framework of action as well as a living online resource and driver of implementation, knowledge sharing and interconnectivity over the next decade. In this way the Climate Adaptation Summit will build on the advances of the United Nations Climate Action Summit and sustain momentum through to UNFCCC COP 26 in Glasgow, responding to the call from UN Secretary-General António Guterres for "more concrete plans, more ambition from more countries and more businesses." The GCA will lead support for the Summit, promoting

cooperation with participating governments, business, and wide-ranging partner organizations. We will also act as the lead institutional support for the Climate Adaptation Data Platform 2030 to support implementation of Summit commitments and to promote a decade of continued progress in accelerating adaptation efforts worldwide.

## Delivering the Adaptation Agenda for COP 26

Strengthening the adaptation component of enhanced NDCs under development in 2020 is a unique opportunity to accelerate adaptation on a global scale. Therefore, the GCA's work and initiatives this year are designed to make full use of this momentum, sustaining it to UNFCCC COP 26 in Glasgow. The Summit is a key leadership platform that will inject new energy to enable governments, supported by all stakeholders in society and the economy – including the GCA – to contribute to delivering the adaptation agenda and raising the ambition for COP 26 to accelerate the delivery of a more climate-resilient world.

#### **OPERATING MODALITIES**

# ESTABLISHING THE GCA AS AN INDEPENDENT ORGANIZATION

n important milestone in 2020 is the establishment of the GCA as an operationally and financially independent organization. We have had our own independent legal status since October 2019, and unbundling from the Dutch Ministry is currently in progress. It is expected that we will be operationally independent by mid 2020, with the legal, financial and administrative arrangements required as a standalone international organization.

Until mid 2020, we will be supervised financially by the Government of the Netherlands, following Dutch public financial procedures. The links below describe the overview, procedures and howwe are being monitored and audited by the Netherlands:

- Information on the <u>financial status of the Government</u> of the Netherlands (in Dutch).
- All <u>budget plans</u> and budget processes of the government (in Dutch).

- All governmental data concerning assignments, budgets and accountability (in Dutch).
- All information about the national <u>audit</u> processes (in Dutch).

Once we are an independent organization, funds will follow a transparent process of transfer from the Government of the Netherlands' account to the GCA, meeting international best practices and standards. We are currently putting in place an Oracle Netsuite ERP solution to ensure adequate registration of all financial flows and processes. The ERP package enables real-time planning and control, as well as providing sufficient transparency and accountability in combination with modern accounting and reporting tools to meet international standards for finance and accounting. The structured approach for recording transactions ensures consistency and accuracy, plus in-depth analysis. The ERP system standards are designed to adhere to all Dutch (tax) legislation. Special attention will be paid to project and program administration in combination with fund accounting and reporting. Expenses, purchases, human resources, will all be booked on projects and linked to donor budgets, while taking into account donor requirements. Procurement processes have different levels of authorization and the "four eyes" principle is embedded in the system.

"Climate change is a global challenge which requires global co-operation. It is important for us to enhance capacity in both mitigation and adaptation"

Premier Li Keqiang, People's Republic of China

The Dutch tax system allows for associations serving a public benefit to obtain a special tax status. Fiscal experts from PwC confirmed that it is feasible that the GCA will be able to successfully apply for this Public Benefit Organization (PBO; in Dutch: ANBI) status.

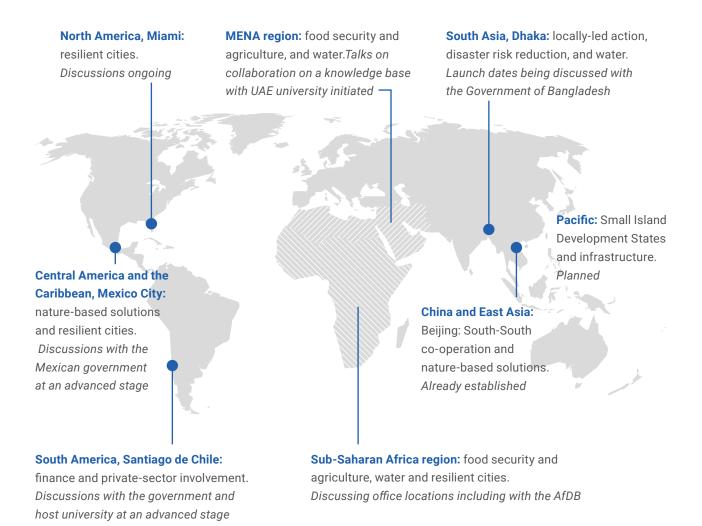
#### **REGIONAL OFFICES**

Regional offices will ensure close links to countries in each region for the implementation of global initiatives, while also helping customize programs and actions to local priorities. Regional offices will also develop specific knowledge initiatives, in some cases serving as the global lead on a specific topic. Precise strategies and longer-term goals and work plans will be developed as the offices prepare for launch.

While each regional office will have different priorities depending on the needs of the region and host country, the overarching aim is for them to operate as regional centers of excellence:

- Collaborating with national, regional and international partners, acting as a valuable solutions broker on all matters relating to climate adaptation.
- Bringing together best practice, advancing research and sharing the solutions relevant to the host country and region.
- Leveraging domestic and mobilizing international expertise to support the host country and region's challenge in responding to and continuing to prosper in the changing climate.

The following regional offices are planned, located in countries that demonstrate both a strong demand for adaptation solutions at scale and also benefit the most from adaptation programs:



#### Regional offices are set up in a variety of ways:

- Hosted in a governmental agency, as in China. This
  would allow the regional hub to enjoy a close tie with
  on-the-ground actions taken by the government and
  would therefore shape the activities of the hub to implementation and setting up programs with national and
  regional parties.
- Hosted on behalf of a country within the ministry relevant to adaptation, as in Bangladesh. This regional hub would be in close contact with the country's policy-makers, which would allow for significant influence over future policies and also facilitate co-operation with other countries via the public sector.
- Hosted by a city: as in the Netherlands, where GCA is hosted by Rotterdam. Such a regional hub would be located in a hotspot of climate adaptation, allowing for the utilization of connections with different stakeholders involved from all parts of society to create and implement adaptation action. This would also facilitate a focus on creating regional city networks for adaptation co-operation.

#### **PARTNERSHIPS**

Working with others is central to our success. We enter into partnerships at a corporate, programmatic and project level. Partnering is driven through an explicit commitment to shared objectives and mutual benefit and is codified in a partnership agreement. Typical partners include National Governments, NGOs, universities and research organizations and private corporations and providers of finance. We also execute our strategy through a series of partnerships are designed to have specific outcomes and benefits to both partners.

As with many organizations working multilaterally, we may have partnerships that cover multiple parties. This strengthens our role as solutions broker and differentiates us from other organizations.

#### **ADVOCACY**

Climate change is a global challenge and climate adaptation is a global necessity; it crosses boundaries, not only between countries, but also between sectors and networks, between various government levels and private sector. Global and national leaders need to address this challenge climate adaptation with the seriousness it deserves and the sense of urgency that immediate action is needed.

Part of our role is to catayze action by enhancing the political visibility of adapting to climate change. The objective of the our advocacy is to influence decisions within political, economic and social systems and institutions. It includes media campaigns, public speaking, commissioning and publishing research.

We use our convening power to bring together the most influential opinion formers to create a community and to stimulate further growth of the adaptation coalition and movement.

We use multiple channels to promote our message. We strive to have a high-profile presence at major events and engage with partners to amplify our message. Our leadership team and staff all have a role in promoting our message.

#### **Partnering for Success**

The following four partnership types will support the delivery of the GCA's business plan:

- **1. Funding:** funding: partnerships that provide financial support to enable the GCA to deliver its strategy and enable the partner (donor) to achieve certain objectives or outcomes.
- **2. Delivery partner:** partnerships that allow the GCA to deliver part of its programs funded through sub grants to partners (sub grantees).
- **3. Knowledge:** partnerships with the objective of knowledge sharing that contribute to the GCA's knowledge, science and innovation agenda.
- **4. Advocacy:** partnerships that strengthen common messaging to help the GCA amplify its message and promote the adaptation agenda.



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