

Meeting of the OECD Joint DAC-EPOC Task Team on Climate Change and Development Co-operation

3-4 October 2016, OECD, Paris

Co-chairs: Mr. Matti Nummelin (Finland) and Mr. Timothée Ourbak (France)

SUMMARY RECORD

Item I. Opening: Welcome and meeting objectives

1. *Timothée Ourbak (co-chair)* welcomed participants and outlined the meeting's objectives:
 - To examine approaches to integrating financial protection with climate change adaptation, building on the results of the country case studies (Colombia and Senegal) and the synthesis paper.
 - To discuss the Task Team's future work priorities.

Item II. Climate Change Adaptation and Financial Protection (1/3): Improving the resilience of the most vulnerable communities

2. This session examined the emerging challenges and opportunities inherent in extending the use of financial protection among vulnerable populations, focussing on the lessons learned from the Senegal case study.
3. *Lola Vallejo (OECD Secretariat)* presented an overview of the results of the Senegal case study, noting that the Senegalese government was increasing its efforts to reduce climate risk exposure ex-ante and developing several financial protection instruments at the sovereign (e.g. ARC) and micro level. Senegal has been working to include the private sector, particularly through the joint public-private ownership of the national agricultural insurance company (CNAS). She noted that comprehensive cross-sectoral strategies for disaster risk management and climate adaptation have not yet been developed in Senegal.
4. *Massamba Diop (Senegal ARC National Co-ordinator)* presented the African Union insurance mechanism (African Risk Capacity), noting that it had paid out USD 16.5 million in early 2015 to help Senegal face the impact of droughts. He discussed how development providers could support its development, including by contributing resources to the Replica Fund.
5. *Fabio Beldini (World Food Programme)* presented the comprehensive risk management approach that underpins the R4 Rural Resilience Initiative, which is designed to help communities be more resilient to climate variability and shocks. It is currently operational in Senegal and Ethiopia, with pilots underway in Malawi and Zambia.
6. Task Team participants discussed ways in which microinsurance could encourage sustainable and resilient agricultural practices. An example given was that the R4 initiative allows beneficiaries to contribute labour to the construction of protective assets in exchange for insurance coverage. They

highlighted the challenges of identifying the most vulnerable beneficiaries, and emphasised that this targeting should include groups such as youth, women and local community representatives.

Item III. Climate Change Adaptation and Financial Protection (2/3): Moving from reaction to prevention: the role of a coordinated national strategies and tailored funding

7. This session explored the role of national strategies and tailored funding in managing climate risks, focussing on the experience of Colombia.

8. *Mamiko Yokoi-Arai (OECD Secretariat)* presented the OECD's work on disaster risk financing. This included a recent publication on the use of financial instruments for managing disaster risks related to climate change, in addition to the OECD Recommendation on Disaster Risk Financing Strategies. In her presentation, she noted the specific challenges faced by developing countries in this area, including lower levels of physical resilience and constraints on fiscal capacity.

9. *Mariana Rojas (Colombia Ministry of Environment)* presented Colombia's strategy for tackling the effects of climate change, including the development of sectoral plans and integration into territorial planning. She outlined how public and private sources of finance were being mobilised in support of climate change adaptation.

10. *Gisela Campillo (EU DevCo)* summarised the results of the Colombia case study. In her presentation she emphasised the importance of leadership from the finance ministry, highlighted the challenges of improving data and discussed the set of instruments being adopted at the national level.

11. Task Team participants discussed the messages emerging from the Colombia case study and welcomed the Secretariat's work, noting it should aim to reach climate negotiators as an example of good practices regarding strategic frameworks and the selection of financing tools.

Item IV. Task Team Engagement Strategy

12. This session explored how the Task Team could strengthen engagement, both within the group and with potential users of its analysis.

13. *Michael Mullan (OECD Secretariat)* presented the results of a study undertaken by external consultants on increasing the impact of the Task Team's work and its value as a network. Respondents to the survey valued the analysis produced by this group and the opportunities it provided for fostering peer learning. Some of the recommendations from this study were to: increase opportunities for interaction, strengthening the web presence and developing tailored outputs for readers who lack the time to read full reports.

14. Participants reacted positively to the results of this study, noting the importance of the issue and sharing experiences from their work. In the discussion, participants emphasised the value of having substantive, authoritative guidance produced by the OECD, while also exploring alternative communications channels.

Item V. Tour de Table

15. Participants introduced themselves and shared their priorities and key areas of on-going work on climate change and development co-operation, with a focus on mainstreaming adaptation into their development co-operation activities.

16. *Anne Hammill (IISD / NAP Global Network)* provided initial results from a survey of how adaptation is treated in bilateral cooperation. All respondents to this survey had mainstreamed adaptation in sectoral programmes, rather than existing as standalone initiatives. They also noted that there was a concentration of expertise at headquarters, and extensive use of consultants to support implementation.

17. *Hugh Macleman (OECD Secretariat)* presented progress to date on the Resilient Systems Analysis tool, which as designed to facilitate joined-up development programming in 15 countries, mostly fragile states. The next phase of this work will be to apply this tool to the Sahel.

18. *Aliae Sayah and Stephané Jacobzone (OECD Secretariat)* updated participants on work underway on the governance of disaster risk, including the results of a recently completed case study in Morocco. Some of the key recommendations from the Morocco study were to: better understand and communicate disaster risks, develop an integrated risk management strategy and improve coordination between the local and national levels.

Item VI. Climate Change Adaptation and Financial Protection (3/3): Discussion of emerging findings

19. *Michael Mullan (OECD Secretariat)* presented the main emerging findings from the case studies that were provided in the synthesis paper. These included: the importance of strengthening data and capacity; opportunities for development planning to facilitate integrated approaches; and the potential for linking risk reduction with financial protection. He emphasised the value of further analysis to complement the results arising from the two case studies. He noted that the Task Team were invited to submit written comments by 14 October.

20. The subsequent discussion focussed predominantly on the issue of data, with participants noting the importance of enhancing the availability and quality of data, in addition to efforts to improve coverage. It was noted that the areas with the most vulnerable people could also be those with the worst data. The potential for collaboration with the private sector was discussed, recognising the potential tensions between the value of openness and commercial confidentiality.

VII. Next steps for the Task Team's programme of work

21. The *OECD Secretariat* presented an update on the current work programme and potential options for taking work forward in 2017-18. The options presented were to either publish the work undertaken to date as a working paper at the start of 2017, or to undertake a further two case studies to deepen the evidence base in 2017 with a view to publication in early 2018. The Secretariat noted that the continuation of the Task Team is reliant upon the active support of members, including the provision of Voluntary Contributions. Participants were invited to contact the Secretariat prior to the end of October to signal the potential for providing in-kind or financial support to this project.

22. Participants endorsed the value of continuing this programme of work, and suggested a number of potential case studies. Several participants identified opportunities for collaboration between their organisations and the Task Team.

Wrap-up and conclusions

23. The *co-chairs* thanked participants for their active engagement in the discussion. Participants and the secretariat thanked the co-chairs for their leadership of the meeting.